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NEAR EAST/NORTH AFRICA REPORT

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HUSSEIN MESSAGE TO HASSAN DELIVERED BY AZIZ

Rabat L'OPINION in French 1 Apr 81 pp 1, 3

[Text] His Majesty King Hassan II Monday evening at the Royal Palace in Marrakech received Mr Tarek Aziz, deputy prime minister of the Iraqi Revolutionary Command Council and special envoy of President Saddam Hussein to his majesty the king. The audience was also attended by Mr Maati Bouabid, prime minister and minister of justice; Mr M'Hamed Boucetta, minister of state for foreign affairs and cooperation; and Mr Faiz Aouni Bakr Sidki, Iraq's ambassador to Rabat.

Following the audience, Mr Tarek Aziz said he was happy to have been received by his majesty the king and passed on to him a personal message from his dear friend President Saddam Hussein. My mission, he said, dealt with the fraternal relations between Morocco and Iraq--which were described as excellent--and with the present situation in the Arab world. President Saddam Hussein, he continued, wanted to inform his dear friend and brother, His Majesty King Hassan II, of his views on the current situation and of Iraq's concern to see a climate of brotherhood and solidarity established among Arab countries.

I am happy, he said, to have found the king most understanding and disposed to spare no effort to achieve this noble Arab objective.

Speaking of the role of the Commission of Good Offices, Mr Tarek Aziz stressed that Iraq will cooperate with the commission as it did during the first round of its activity and as President Saddam Hussein stated during the Islamic Summit at Ta'if. Iraq's position in the conflict is clear, he said. Iraq has always called for the establishment of relations based on international principles, namely that relations between Iraq and the Arab countries, on the one hand, and Iran on the other, should be ruled by the good-neighbor principle and by cooperation, a principle that is incompatible with the occupation of another country's territory by force. Respect for sovereignty and non-interference in the internal affairs of countries are considered by the whole international community as necessary principles in the establishment of sound relations between neighboring countries. If Iran accepts these principles, he said, the Commission of Good Offices will succeed in its mission. If, on the contrary, Iran persists in its illogical position, it will be difficult to predict the results of the commission's activities. Understanding, he explained, requires effort and goodwill on both sides. Iraq firmly believes in these principles, and works tirelessly for their implementation, he concluded.

We note that Mr Tarek Aziz left Marrakech Monday night to return to his own country. He was seen off by Mr M'Hamed Boucetta, the minister of state for foreign affairs and cooperation, Iraq's ambassador to Rabat, Mr Faiz Aouni Sidhi, and various others.

9516

CSO: 4400/1030

BENDJIDID'S VISIT TO MALI SOLIDIFIES 'ALGIERS-TRIPOLI AXIS'

Rabat L'OPINION in French 31 Mar 81 pp 1,3

[Excerpts] Algerian president Chadli Bendjedid and President Moussa Traore of Mali Sunday expressed "their deep concern over destabilizing maneuvers in the sub-region." (sic)

In a final communique published at the conclusion of the Algerian president's visit to Mali, the two heads of state "vigorously condemned the acts of aggression perpetrated against the Islamic Republic of Mauritania on 16 March 1981."

The Algerian-Malian communique does not leave the slightest doubt about the line of action leaders in Algiers have religiously followed since 1965, or about the fact that the regime now in power in Algeria is only perpetuating it and refining it all further day by day. This is not the first time, in fact, that Algerian leaders have reaffirmed their "deep concern over destabilizing maneuvers in the sub-region," their "support" for the pseudo-Saharan people, and tried to present themselves as the champions of peace and friendship among peoples and states.

Their pretensions, however, could have been taken more seriously if the whole world did not already know who is sheltering and supporting terrorists and mercenaries by the thousands and who is using them for purposes of destabilization, aggression, and hegemony.

Everyone--and above all the Moroccan people--would certainly share Mr Bendjedid's concerns and the concerns of his government, his partners, and interlocutors--in the present instance Mr Moussa Traore of Mali--in the face of destabilizing maneuvers in the sub-region, if there was not already irrefutable proof that it is precisely the Algerian regime that has been making disguised war on Morocco for more than 5 years, encouraging aggressors and Morocco's enemies to destabilize it, challenge its most basic historical rights, and taking an active part in all the plots being contrived throughout the region against the peoples of the region.

The proof: the passage in the final Algerian-Malian communique dealing with Chad. That gilds the lily!

But what should really put us on our guard is President Bendjedid's visit to Bamako...only a few days after the 16 March events in Mauritania. Events which resulted first of all in Nouakchott's total vassalization and systematic alignment with the "Algiers-Tripoli" axis. Bendjedid's visit to Traore is thus part of the same plot: to isolate Morocco the better to strangle it. One need only look at the map to realize this.

Certainly, Algeria and Libya have long dreamed of achieving this. Mali was already in their hands, but Mauritania somehow slipped out of their grasp. Today, they no longer have to worry about that. But all the same, have they reckoned with the fierce determination of the Moroccan people and their resolve never to give up but rather to defend their possessions, their freedom, and their existence by any means and at any cost?

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INTER-ARAB AFFAIRS

INCREASE IN ALGERIAN MILITARY AID DENOUNCED

Rabat L'OPINION in French 31 Mar 81 pp 1, 3

[Article from AGENCE FRANCE PRESSE]

[Text] Nouakchott--The armed strike of 16 March will have profound effects on Mauritanian political life, but these effects will be hard to predict, as this attempted putsch was the bloodiest event the country has ever known, according to observers in Nouakchott.

Doubtless, they point out, the AMD [Alliance for a Democratic Mauritania] emerges weakened from this test of strength with Lt Col Abdelkader, who was executed alongside three other ex-officers who were members of his commando team. In any case, the events of 16 March constitute, in the eyes of observers, an illustration of the threat represented by an opposition which has no legal standing in its struggle and which is tempted to resort to arms to come to power.

A simple surprise attack by a 10-man commando team (9 of whom were arrested, the 10th took flight) was all it took, they say, to shake the regime.

Concerning relations with neighboring countries, Mauritanian leaders continue to forcefully assert their desire for neutrality in the Western Sahara conflict, despite the recent break in diplomatic relations with Rabat followed by the strengthening of ties with Algeria, particularly in military terms. The most recent expression of this position is the message sent Saturday by Mr Sid Ahmed Oul Bneijara, the prime minister, to his Moroccan counterpart, Mr Maati Bouabid, in which he expressed his concern to maintain "an equal balance between Morocco and the so-called POLISARIO Front," until Nouakchott is prepared, when the time comes, to "play the role reserved for it in the search for a negotiated solution."

It is obvious, however, in diplomatic circles that the Mauritanian-Moroccan estrangement greatly contributed to the strengthening of Algeria's position in Mauritania. After having been very strained in 1971-1973, then broken in 1975 because of Mauritania's entry into the Sahara war on Morocco's side, relations between Algiers and Nouakchott were re-established, albeit slowly, after [signing of the] 5 August 1979 accords between the mercenaries and Mauritania permitting the disengagement of the latter. Those relations were further strengthened recently by Algeria's provision of an \$80 million loan, intended among other things to get an oil refinery and a sugar mill back on the tracks. Since 16 March this cooperation has taken a new turn with Algeria sending military material and advisers to Mauritania.

Algeria, it seems has not been stingy in sending arms, according to some observers who since 16 March have had the chance to see the "Antonov-12" Algerian military aircraft unloading from large crates at Nouakchott and Nouadhibou, the economic center of the northern part of the country and the end-point of the rail link from the iron mines of Zouerate.

It is possible that Algerian military assistance is going to stay in position awhile longer, diplomatic sources believe.

In informed circles, it is also expected that the Arab League, [name of country illegible--appears to be Iraq or Iran] and Senegal will attempt to mediate between Rabat and Nouakchott.

Senegal was taken out of the action by Mauritania following the events of 16 March. Its president, Mr Abdou Diouf, after coming to Mauritania on 5 March, went to Morocco right after the attempted putsch in Nouakchott, and declared that he was ready to offer his good offices "in any conflict, where it might prove useful and agreeable to the contending parties." Various sources in Nouakchott agree that President Diouf could play a decisive role in a possible Mauritanian-Moroccan reconciliation.

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INTER-ARAB AFFAIRS

STIMULATION OF INVESTMENT IN ARAB COUNTRIES DISCUSSED

Abu Dhabi AL-ITTIHAD in Arabic 20 Jan 81 p 11

[Article by Maghazi Shu'ayr: "Why, How, and Where Do Arab Investors Invest Their Money?"]

[Text] How Can We Get Them to Invest Again in Their Own Countries? Providing Sufficient Guarantees for Investment, Solving the Problems of Administrative Complications, and Opening Up New Investment Opportunities Are Steps Which Are Necessary In Order to Bring Arab Investments Back to the Arab Countries.

What Do the Experts and Businessmen Say About the Suggestion to Establish an Investors' Association Abroad?

How can we get Arab investors to once again invest in their own countries instead of investing abroad? Or at least how can we get them to do this in addition to investing abroad? When our Economics Section was discussing this issue, it brought up the idea of establishing an Arab investors' association abroad. This association would coordinate their investments, look after their interests, and channel their investments into Arab markets or into foreign markets, on the condition that their investments abroad serve the objectives of the national economies of their own countries.

What do the experts and businessmen have to say about the idea of establishing an investors' association?

Mr Muhammad Khirbash, director of the Investment Department in the Ministry of Finance and Industry, says: "Arab capital should basically be used in order to serve the objectives and interests of the Arabs. That is, Arab capital should primarily be invested in the Arab world. But investors by nature tend to look at what returns they will have, what guarantees they will have, and how easy the investment procedures to be followed will be."

"Some time ago a symposium was held in Tunisia which dealt with the problems of Arab investment. The opinions which were brought up led us to the conclusion that there are several reasons why investors look to places abroad for investing their

capital. One of the reasons is that the technical apparatus of Arab banks is not completely developed so that they can be of service to investors, as foreign banks abroad are, when it comes to providing consultation and orientation and winding up business dealings expeditiously. The technical basis for accomplishing the process of investment is still not available in most Arab countries. This is not so much a disgrace as it is a shortcoming which the Arab countries will try to make up for in the future."

"Then there is the red tape which is found in the Arab countries. Investors find themselves dealing with red tape and systems of regulations which limit their ability to act. A foreign magazine once published an article about the administrative complications in the Arab world which dampen the eagerness of investors and impel them to go invest their capital abroad. The field of investment is, by its very nature, a vital field and an activity which must be continuous and must not be held up. It should also be noted that Arab investors are not granted the preferences or privileges which are enjoyed by their counterparts, the foreign investors." "The most important thing for an investor in any country is that he know exactly what privileges he will have and what investment laws will be applied."

"Unfortunately, so far no complete studies have been done concerning Arab investment laws, advantages which are granted to investors in the Arab countries, and opportunities for investment in the Arab world."

A Guide for Arab Investments

Mr Khirbash feels that priority should be given to the publication of special booklets concerning everything that has to do with investments in the Arab world so that investors would have all the information that they want and so that they would be encouraged to invest their capital in the Arab countries. He says: "Western propaganda has made Arab investors apprehensive about investing their capital either inside their own countries or in other Arab countries, on the pretext that political conditions are unstable and that there is a lack of stability. But if we take a rational look at matters, we find that it was in the United States, the most stable country in the world, where the Iranian assets were frozen. What this means is that investment faces dangers everywhere. The factor of stability was emphasized more than it should have been. The initiative must be taken to publish all information possible about investment opportunities and guarantees in every Arab country, and bureaucratic procedures and red tape in this area must be revised."

"As for the suggestion to establish an Arab investors' association abroad, I believe that it would tend to support this trend. If we assume that such an association will be set up, it will need a group of experts for the establishment of its own special investment research office which would provide investment services on the level of the services which are now provided by the foreign banks, financial firms, and consultant firms which are found all over the world. When predictions turn out not to be true in the field of investment, they are a calamity as far as investors are concerned. It requires a great deal of time to create confidence between investors and the organizations which offer consultation to the investors.

Since an investor is very eager to invest his capital, what he needs to do is to get this consultation from more than one party before making a decision for which he personally must suffer the consequence. If what we have in mind is for the association to be involved in legal activities, [we should know that] there are also some well-established international bodies which have had long experience in this field--for example, the International Center for the Settlement of Investment Disputes, an organization which belongs to the World Bank. So setting up an association such as this is not an easy matter, and it has both its positive and negative aspects."

An Association in the Arab World

Mr Muhammad 'Abbas al-Sukkari, director of the Bank of Cairo in Abu Dhabi, is in favor of the idea of setting up an Arab investors' association, but thinks that it should be done inside the Arab world. He says: "The establishment of this association in the Arab world will help to clarify the investment advantages and opportunities which are found in each Arab country. Investors would be provided with all of the information that they would need in this field. The association would help to find the best possible ways to channel Arab investments into Arab regions which can absorb this capital. But this capital must be granted all the necessary sufficient guarantees, and all the procedures must be made easy for Arab investors."

Concerning how the Arab investors themselves feel about this matter, Mr Muhammad 'Abd al-Jalil al-Fahim, a well-known businessman, says: "The actual experience which Arab investors have had with such associations indicates that this has not been a successful approach. Such associations do not serve the investors who consult them as much as they serve those who work in them. In fact, the investors themselves can be exploited in order to serve the personal aims of those in charge of the associations. Arab investors do not need associations of this type as much as they need guarantees for their investments in the Arab countries. Unfortunately some Arab countries are unable to guarantee the investments of their own citizens, so how could they undertake to guarantee the investments of citizens from other countries? For this reason, I say that Arab countries should first provide their own citizens with such guarantees in order to gain the confidence of other investors."

"Based on my own personal experience, I suggest that every investor deal with old and well-established consultant firms and that he not take any step until he has made a thorough study. He should also have his investment plan confirmed by the bank which he does business with. This is because the banks are eager to have the investments of their clients be successful because this is in the interest of both parties. Investors naturally prefer independence and secrecy when making their investments. It is difficult for them to deal with a single source or party, or with government or non-government organizations, before undertaking a step in the field of investment. So how could it then be possible to bring Arab investors into a single association?"

Reinvestment inside the UAE

Mr al-Fahim emphasizes that it is necessary to create new investment opportunities inside the UAE. He says that, at the meeting of the board of directors of Abu Dhabi's Chamber of Commerce and Industry, he will bring up a suggestion concerning reinvestment in the UAE. He says this is "because right now UAE investors have surplus liquid assets. Of course, possibilities for investment inside the UAE are limited. For this reason, the best thing is to open up new areas [of investment] during the next 3 years so that we can get in motion the cycle of capital in our domestic market. We should also encourage our citizens to become interested in agriculture and land reclamation. This is a very fertile and open area for investment, it will absorb a lot of investments, and this will bring positive results."

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OPEC OFFICIAL DISCUSSES ARAB NATURAL GAS RESERVES

Risalat Al-Qabas in Arabic 6 Mar 81 p 11

[Excerpt] Dr 'Adnan Mustafa, Assistant Secretary General of the Organisation of Arab Petroleum Exporting Countries (OAPEC), has called on Arab oil-producing countries to stop wasting the gas produced with oil, to fill the oil-producing fields with gas and to establish complete industrial complexes for producing gas. This came in his lecture entitled "A few facts on Arab natural gas--general outlook", delivered at the fifth session on the fundamentals of oil and gas industry, currently being held at the OAPEC's headquarters and lasting until 19 March.

At the end of his lecture, Dr 'Adnan Mustafa said: "The Arab land is rich in natural gas resources, which are contained in the tertiary, cretaceous and jurassic oil-bearing formations. The resources are also found in Permian or maybe other deeper formations, as free deposits. The confirmed amount of Arab natural gas resources during the early 1980's has reached (12×10^{12}) cubic meters, which amounts to 16 percent of all world natural gas reserves."

Increase of Reserves

As a result of the reinforcement of exploratory drilling in the undrilled formations [these underneath the oil compounds produced now--located above the Permian formations] and extensive exploration in search of natural gas, the Arab reserves are expected to increase four fold. The conscientious exploration efforts in Iraq and Kuwait will shortly confirm this conclusion. The undrilled sea natural gas formations will add an increase of 25 percent to the reserves. Based on this, we expect the producible amount of natural gas during the current decade to be about $(23.0 - 35.0) \times 10^{12}$ cubic meters. The remaining amount which is expected to be confirmed during the 1990's may total $(15 - 50 \times 10^{12})$ cubic meters. The Arab nation will not be able to achieve this unless it modernizes its current exploration methods on the one hand, and on the other hand devotes its financial and technical capacities to the development of the discovered gas resources, fully manipulating them in accordance with the national Arab development plans.

The Arab people, in all the Arab homeland, have investigated the national gas resources through various advanced methods, like storing it in the oil-producing fields, and using it to provide the electric power stations and the fertilizers and petrochemical industries, in order to meet the needs of national Arab development. In addition to that, the surplus gas, which used to be burnt, is now used in various industrial projects, or exported; the revenues will be used in ambitious Arab development projects.

INTER-ARAB AFFAIRS

BRIEFS

LIBYAN MILITARY DETACHMENT TO MAURITANIA--After sending Libyan tanks to Tindouf--probably en route to northern Mauritania--Tripoli is about to put a military detachment equipped with sophisticated weapons at the disposal of the Mauritanian Government. This "reinforcement" enters into the framework of the Algerian-Mauritanian coalition's plan to get a hold on Mauritania and to destabilize the region. Mauritania is on the way to becoming a veritable military base where weapons, mercenaries, advisers and instructors land almost daily to change into the launching point for aggression first against Morocco and ultimately against other African countries. Let us recall that only 2 days after the events of 16 March in Nouakchott an airlift was established between Algiers and the Mauritanian capital where Antonovs were landing men and equipment. It was with this goal in mind that the Nouakchott airport was closed to air traffic. The Algerian-Libyan coalition seems to be determined to go all out in this second phase of the conflict, where Mauritania, which is becoming a battle field, will be the only victim of the Algerian-Libyan maneuvers. [Text] [Rabat L'OPINION in French 31 Mar 81 p 1] 9516

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CHADLI'S ADDRESS TO ARAB PARLIAMENTARY UNION

Algiers EL MOUDHAJID in French 10 Mar 81 p 3

[Text of speech by President Chadli at the opening of the second conference of the Arab parliamentary union]

[Text] The Arab Nation Cannot Be Overlooked in the World Balance of Power

At the opening of the second conference of the Arab parliamentary union, Mr Benjedid Chadli, president of Algeria, secretary general of the party of the National Liberation Front, made the following speech, translated here.

In the name of God, the benevolent and merciful,
Dear brothers and sisters,
Members of the Arab parliamentary union conference,

Less than 30 years ago, holding such a meeting on Algerian soil would have been unimaginable. Then, our country was a vast prison and our people were separated from their natural existence by fire and sword.

They were the object of a far-reaching plan to destroy their national identity and to keep them ignorant of their history, language and civilization.

It is the supreme sacrifice of hundreds of thousands of martyrs that enables us to meet today in the capital of independent Algeria, an Arab and Moslem country, a land of freedom and dignity, a bastion of Arabism, an impregnable citadel of Islam.

The Algerian people know about the struggle of the entire Arab nation, support its fight, know how it has made the word "Algeria" a heartfelt cry, a victory chant. The Algerian people are happy to see their capital host your second conference, an expression of our common will to strengthen Arab solidarity, to establish a constructive dialogue, to arrive at a proper idea of the duty of the nation and its activity in all areas.

The struggle of the Arab nation, on the level of national development as well as in the fight against colonialism, Zionism and racism, demands that we hold more of the same meetings and expand their scope of action.

An Expression of Democracy

These meetings are the best way to encourage understanding and agreement, to achieve the unity of thought which is a firm base for united Arab action.

We firmly believe that this meeting will allow us to better learn about the experiences of fellow Arab countries in the area of democratic practices, constant throughout Arab history and crystallized through Islam.

Islam has made dialogue an expression of democracy and Almighty God commanded it in the Koran, "they consider their business together."

Dear brothers and sisters,

In Algeria, we are conscious of the historical dimension of the nation, of the huge part played by Arabo-Islamic civilization. Our struggle to gain our right to a free and dignified life is a basis for all our political actions, on the national as well as international level.

The democratic experience of contemporary Algeria dates back to the first shot fired for the liberation of the country. For the Algerian revolution, true democracy must include total independence of the nation on the political, economic and cultural levels.

After having broken the bonds of colonialism, we had to undertake a struggle against underdevelopment. Efforts in this area had to start from scratch, due to the state of our country at the time of independence.

National construction is a material basis for the democratic Algerian experience. We believe that our efforts were a positive contribution for the entire nation.

Algeria, a country of popular assemblies, has done everything to practice systematic democracy, to initiate objective dialogue and constructive criticism, while always taking into account the higher interest of the country and the revolution.

Favoring the Strength of Argument

Our constant preoccupation has been to favor the strength of argument, not the thundering voice, the objectivity of statistics, not eloquence and rhetoric. Our political meetings in the communes as well as the districts play a large role. Their effectiveness increases daily. This is also true for our national popular assembly which played an extremely important part during the difficult moments of our country's history. Guardian of legitimacy, it has also been the defender of the constitution, carrying out the will of the masses which have given it their trust and expressing the principles of the National Liberation Front from which it was established.

In this area, the Algerian experience is part of the whole Arab experience, just as the Algerian revolution is an integral part of the Arab renaissance movement.

I sincerely believe that the exchange of experiences on the legislative level is urgently needed to crystallize democratic experience in the Arab world so that its practice will meet the aspirations of our nation and the needs of our peoples.

Dear brothers and sisters,

The role of the Arab parliamentary union on the international scale is of extreme importance, today more than ever, with regard to the great challenges with which we are confronted and which are essentially challenges to our civilization. However, harmony in the political positions of all Arab countries is necessary if this role is to be effectively exercised.

The Right of All People to Self Determination

Short of this minimum level, we will always be at the mercy of our enemies. We will be isolated from our natural allies and we will never be able to defend our rights and protect our gains. In a word, we will only be a group of regions geographically scattered across "colored maps" without influence on events.

To this effect, I wish to tell you quite frankly that Algeria, which fought a bitter struggle for more than a century and a quarter, which regained its independence after a long war of liberation, believes in the necessity of a collective wealth of regional experiences across the entire Arab nation. It cannot, however, believe in the phenomenon of exporting revolutions or ideas born of national experiences.

In this context, Algeria believes in the right of all people to determine their own fate, to define their own future and choose their own way of life. It also believes that agreement and peace among brothers and neighbors requires a priori respect for legitimate national political choices and aspirations. If differences may arise before us on many points, because of different or multiple experiences, we certainly all agree that our Arab nation must occupy a place on the international scale commensurate with its contribution to world civilization, from the point of view of thought and culture and on the material level as well as from the geo-political perspective.

The Islamic World: The Strategic Depth of the Arab Nation

It is perhaps this which has made apparent the real motive for the Zionist settlement in the heart of the Arab nation. The Jews have lived among us in the tolerance prescribed by Islam and it makes no sense that we should pay the price of the injustices Europe has committed against them. This, in fact, is what has happened.

This is why the Zionist invasion took place, and Palestine was dismembered with the blessing of the forces of evil and aggression, which did not want to let us devote ourselves to the construction of our countries, because they only felt contempt and hate for our Arabo-Islamic civilization. These

forces want to reduce us to simple outlets for consumer goods, to sources for raw materials and to a theatre of operations for international conflicts. This state of affairs has made us able to precisely distinguish the natural allies of the Arab nation by means of its principle struggle which is the Palestinian cause.

With all that it represents, the Islamic world makes up the strategic depth of the Arab world. Any conflict between these two worlds can only serve the interests of the common enemy of their peoples.

Arabs and Moslems together make up a part of the Third World which is the object of the covetousness of colonialism and imperialism. We cannot separate the struggle of the Third World countries for freedom and progress from that which we are undertaking for the liberation of our land and the construction of our country.

In this connection, we must note the honorable attitude taken by Africa with regard to the Palestinian cause when it decided, despite pressures and maneuvers, to break its diplomatic relations with the Zionist enemy. This is a debt we owe to the African countries which have supported us in our legitimate struggle.

If support to Third World countries in their struggle against colonialism and imperialism and for national development is also support for our struggle, the dynamic role which we must assume with respect to the non-aligned movement must be one of the main characteristics of our action on the world level.

This thrust, with its positive aspects, is the guarantor of our political freedom and our economic independence.

Members of the Arab parliamentary conference, you are the voice of the Arab nation in international parliamentary forums, as well as its spokesmen. Because of the human and material potentials at its disposal, its determination to meet challenges, its glorious history and centuries-old civilization, because of its geo-political importance, its strategic depth made up of the whole of the Third World, the Arab nation cannot be overlooked in the world balance of power.

Expression From a Position of Strength

This immense reserve at the disposal of the Arab nation justly entitles you to express yourself from a position of strength to confront your colleagues with their responsibilities in these international forums, so that all will understand that the decisions affecting our nation and the future of our people cannot be taken without us, that international agreement and peace would have no meaning without our participation and that international cooperation established at our expense would be worthless. No one can force us to contribute towards progress or prosperity which would exclude our people and whose benefits would not affect our citizens.

Your colleagues, in the international forums, will then understand that the Arab nation, in fighting for emancipation, progress and unity, in building a future which can only be the continuation of its glorious past, does in no way adhere to racial or ethnic prejudices.

Dear brothers,

As you are no doubt aware, the Algerian revolution will remain forever faithful to its obligations and to the principles it has advocated, and will spare no effort towards true Arab solidarity, based upon agreement of thought and action, faith in a common goal and destiny.

In welcoming you to your second country, I would like to tell our brothers that you are responsible for conveying the regards of Algeria, its people and its leadership to them.

I am convinced that your work will obtain success commensurate with the greatness of our nation and the hopes of our peoples, through your determination and will as soldiers of the nation and the reflection of the aspirations of our popular masses.

May God assist you and guide your steps.

9671

CSO: 4400/984

BAHRAIN

LEFTIST FRONTS OUTLINE GOALS IN COOPERATION AGREEMENT

Beirut AL-HURRIYAH in Arabic 23 Mar 81 pp 49-53

[Article: "Important Agreement between the Factions of the National Opposition in Bahrain; the Bahrain National Liberation Front and the Popular Front in Bahrain Approve Common Political Grounds and Call for a Unified National Leadership for Bahrain's Popular Struggle"]

[Excerpts] Our People Are Struggling To Achieve the Following Objectives:

1. Abolishing all public and secret agreements that were made with the imperialist countries; liquidating the military bases in al-Jafir and al-Mahriq; dismissing foreign elements from the police and public security agencies and from the defense force.
2. Granting public freedoms and chief of them the freedom of speech and the freedom to organize parties, political associations, social and professional organizations and trade union organizations; repealing all arbitrary laws and putting an end to their enforcement.
3. Restoring parliamentary life on sound democratic foundations so that an elected council would have full legislative authorities; respecting the authority of the constitution, especially with regard to public freedoms; and establishing a constitutional court.
4. Releasing all political detainees and prisoners; allowing those who were sent into exile to return; reinstating Bahraini citizenship to those whose citizenship had been taken away; stopping the campaigns of arrests, pursuits and banishment against nationalists and progressive citizens; outlawing all forms of physical and mental torture that are incompatible with the principles of human rights and with the constitution of Bahrain.
5. Adopting a national economic policy that would limit the activities of foreign monopolies; establishing and encouraging productive national industries; developing agriculture and the other branches of the economy; and nationalizing principal corporations.

6. Enacting a new labor law that would ensure the right of every citizen to work; protect the worker from employers; preserve the rights of the working class to organize and to strike; ensure all basic rights; [guarantee] equality between the working woman and the working man; and [guarantee] equality between the foreign worker and the local worker.

7. Ensuring social and political rights for women including the right to vote and to run for office and giving women all rights equal with men.

8. Realizing all the livelihood demands of citizens as represented in providing housing and suitable social services; fighting high prices; and ensuring basic services for all citizens in the fields of work, education, health services and social security.

9. Introducing a system of compulsory military service; affirming the national identity of the army and the fact that its mission is to defend the homeland.

10. Establishing developing relations with the fraternal Arab countries, especially the countries of the Arabian Gulf, on the basis of struggling against world imperialism, developing their national economies, fighting monopolies and strengthening economic, trade and cultural relations in the interests of unifying this region.

11. Supporting the legitimate rights of the Palestinian people led by the Palestine Liberation Organization, their legal and their only representative; and supporting their Arab struggle to return to their homeland, to liberate it and to establish their independent state.

12. Adopting a non-aligned foreign policy; establishing equal relations with all the countries regardless of their social systems; and not establishing any ties with imperialist and reactionary alliances.

The end of January 1981

8592

CSO: 4802/644

LOCAL JEWS ATTACK BEGIN'S POLICIES, LAUD PEACE

Cairo ROSE AL-YUSUF in Arabic 16 Feb 81 pp 8-11

[Article by Iman Hattatah, Sharif Shukri, Majdi Muhanna, Mahmud 'Abd-al-Wahhab and Nahid 'Izzat: "How Do the Jews of Egypt Think?"]

[Text] There are now 300 Jews in Egypt.

The men among them are retired, the women among them are aged; there are some merchants, students and lawyers among them also.

They still have two synagogues, in Cairo and Alexandria, a cemetery in al-Basatin, a section bearing their name in al-Muski, and countless recollections.

The number of Jews in Egypt after World War Two was about 125,000. It started to diminish year by year, until they almost disappeared from Egypt.

The Palestine problem was the only problem behind their great exodus from Egypt. The more the temperature of the problem rose, the closer their exodus from Egypt got to the boiling point.

After the 1948 war, the Palestine War, their number dropped to 100,000.

After the 1956 war, the Suez War, the number dropped to 50,000.

After the 1967 war, the war of the setback, they totalled about 400.

The door to emigration closed at that point.

The Jews in Egypt preferred to reside in the sections of Ghamrah, al-Sakakini, al-'Abbasiyah, and al-Muski in Cairo and in Glym, Rushdi and San Stefano in Alexandria.

They dominated activity in the stock exchange, the cotton trade, wholesale commerce, the gold business, the money market and the banks.

They had 26 synagogues, most famous of which was the Grand Synagogue of central Cairo, 10 newspapers, most famous of which was the paper AL-RASUL AL-SAHYUNI, 10 schools, the most famous of which was the Israeli School in al-'Abbasiyah, a

number of philanthropic organizations, most famous of which was the Drop of Milk Society, dozens of shops, and millions of pounds, which were taken from them.

The Jews remaining in Egypt still remember the names of the famous, rich families which were renowned in the world of finance and the social columns — names such as the al-Musiri family, the Curiel family, the Sabriel family, Qattawi, 'Adas, Suwaris, Rullu and Abram 'Ad.

The fame of the Abram 'Ad family, specifically, lay in the fact that it slaughtered 3,000 calves and sold them at a low price to poor Jews on religious holidays and occasions every year.

The Jews of Egypt were not 100 percent wealthy. There were poor too; in fact, the poor among them were a majority.

Of the whole group, rich and poor, only a few employees on retirement, some religious men in the two synagogues and old ladies living alone, on old memories, remain in Egypt.

How do these people think?

How do the Jews of Egypt think?

What do they say about the peace initiative, the normalization of relations between Egypt and Israel, the establishment of a state for the Palestinians and the future of the struggle in the region?

A Guard in the Synagogue

Murad Sulayman has spent more than 35 years as an employee of the Property Department in Cairo. He is now 63 and retired. He was born in al-Sharqiyah and joined the Jewish community in 1975. He was chosen a member of its board of directors. Murad Sulayman was also chosen a director of the Grant Jewish Synagogue, which lies in the center of the section of the commercial banks on 'Adli Street, in the heart of the capital.

Murad Sulayman no longer has anything but his pension and the synagogue.

"I have no relatives in Israel. My relatives emigrated to Europe and America. The peace initiative was a day for celebration in the life of the Jews of Egypt. I hope to live to the day of full normalization and a comprehensive, just peace among the Arabs and Israel. Israel is causing the delay in the normalization process because it is still afraid of the Arabs. How to solve the Palestine problem? I am sorry, I cannot answer that question, because it is a political question and I am not well versed in politics. I hope to go to Israel, just as a tourist, then return again to Egypt. More than 30 Israelis of Egyptian Jewish origins visit the synagogue every day. I will only die and be buried in Egypt."

Clement Mastun, director of the synagogue in Alexandria:

"In 1957, my five brothers emigrated to Israel; I stayed with my mother and small brother, who is now working as a secretary in the Shell Company. The peace initiative, the normalization of relations and Israel's embassy in Cairo -- that's incredible, impossible dreams we still do not believe. I am not a politician so that I could talk about politics. I do not dare talk about the Arabs, the Palestinians and the future of normalization. These are political problems in which I am not well versed; all I hope is that these problems will be solved as soon as possible, and I prefer a form which all parties would like. Every week a ship comes to Alexandria bringing Israeli tourists, most of whom want to invest their money in Egypt. In Alexandria there is an old persons' home, a dispensary for the poor, and more than one school; these belong to us, the Jews of Egypt. I would like to visit Jerusalem, but cannot do so now for family reasons."

The Embarrassment of Politics

In Egypt there are two Jewish sects, not one, the Rabbanite Jews and the Qara'ite Jews.

The former sect believes in the Torah and the Talmud; the latter believes only in the Torah.

The entire explanation is left to the person in charge of the two sects in Egypt, Mr Dubak the lawyer.

"Whether there was peace with Israel or war, the Jews in Egypt continued to enjoy all the rights of Egyptians and continued to exercise their freedom to worship, to pray, and open their synagogues. The president would send them an emissary to the synagogue to greet them on holidays."

This was a statement made to us by Zaynab Yusuf Hassan, who serves the Jewish synagogue in Cairo.

Zaynab Hassan refuses to leave Egypt. She refuses to emigrate to Israel. She visited Israel with a delegation from the Jewish sect in Alexandria in February 1980, but she insisted on going back to Egypt.

Like Zaynab Hassan, all the Jews of Egypt insist on dying and being buried here, on Egyptian territory.

Perhaps Rifa'il Balbul, an advisor to the Israeli community in Alexandria, was the most elegant and eloquent of them in talking about Egypt:

"If someone marries a woman and loves her, would he have the power to leave her? This is the way it is with me and Egypt."

Rafa'il Balbul, now 65 and retired, was a director of the Saks candy company. He was born in Iraq and studied and lived in Egypt. In spite of his skill in phrasing his thoughts, he absolutely refuses to talk about politics; this in general is a position we encountered a great deal on the part of the other Jews of Egypt. Their excuse, like his, was that they are not politicians.

We do not exactly understand whether they really are not well versed in politics or just avoid its vexations and embarrassments.

The Leftwing Jew

Shahhatah Harun had to talk about politics!

Shahhatah Harun is the most famous Jew in Egypt now.

He is a well known leftwing lawyer who is publicly active in political and cultural activities.

Shahhatah Harun broke the rule and opened up to talk about politics:

"In 1947 the Egyptian left, of which I am a member, agreed to the resolution on the partition of Palestine. The partition resolution was the best solution at that time. However, I consider that the peace treaty, in the manner in which it was reached, is not the best solution now. I am happy about the return of Jews to Egypt, but I would have been happier if their return had been in a normal way. I do not believe in establishing a state on the basis of religion or race. I do not believe in establishing an Israel for Jews alone, unless that means that we agree to the establishment of a Nazi Germany for the Aryan race alone!"

A Homeland for the Palestinians!

Is it a surprise that a Jew should demand a state for the Palestinians?

Is it an additional surprise that another Jew should demand the elimination of the settlement?

Is it a third surprise that a third Jew should attack the Israeli prime minister, Menachem Begin?

All these cease to be surprises when these Jews are Egyptian Jews!

Yusuf Rubiel Takhman is an Egyptian Jew who has preferred to remain in Egypt. All his relatives migrated to America, Canada, Italy and Israel, and he preferred to stay in Egypt. He is working in the antique and second hand business and is living on money his relatives send him from Italy and on aid from the Jewish community in Egypt.

Rubiel Takhman attacked Menachem Begin and described him as "hard-headed." He also attacked the construction of the settlements on the West bank. Rubiel Tachman said, in these words,

"After 30 years of war, al-Sadat succeeded with the peace process. He resigned himself to death and went to Jerusalem, calling for peace. He managed, along with poor Carter, to arrive at the Camp David agreements. However, the fact is that Begin is hard-headed. There is hope that the next Israeli government will be better about reaching a solution with Egypt. I am against the policy of

settlements. As long as there is peace, what reason is there to establish these settlements? America has to continue to exert pressure on Israel to arrive at a better solution. It is necessary to establish a Palestinian state. It is unfair that the Palestinians should not have an independent state. The problem is that Israel is afraid that the Palestine Liberation Organization will turn the proposed Palestinian state into a communist state revolving in Russia's orbit. It is out of the question for the Jews to come back again to Egypt. The great majority have made fortunes for themselves abroad, and by the way it is not true what some people are going around saying, that the normalization of relations with Israel will bring damage to the Egyptian economy!"

Michael David demanded that the Palestinians have a state they can live in.

Michael David is a student in commerce at 'Ayn Shams. He told us, in these words:

"After the peace treaty, I can see my people, because the Jews in Egypt are few in number; when there is a greater number of them we can hold prayers, since it is one of our conditions of prayer that the number of people praying not be less than 10 and it is difficult to find them in one place at one time.

"In my view it is necessary that the Palestinians have a national home they can live in. It is the Palestinians' dream to have a homeland, a dream like ours before 1948. I hope that the Jews and the Palestinians will live in peace.

"Although emigration to Israel is every Jew's dream, I would like to know whether I would be as happy there as I am in Egypt. Perhaps for that reason I have not thought of emigrating from Egypt."

Father David Salim, commercial manager in the Soltex trade and manufacturing company, rejects the settlements and considers them illegal. He told us, in these words:

"The peace agreement is the greatest thing the world has known. By this agreement, al-Sadat has cut short a long road that had no end. I consider the agreement to be the basis of everything. Since the establishment of settlements is not included in it, it is an illegitimate, illegal act."

Like the President

The differences in opinions among Egyptian Jews are not great, especially when the talk stays off politics.

They are unanimous about the peace, about rejecting permanent migration to Israel and about the difficulties of those who emigrated will have in returning to Egypt.

Their only differences in opinion are in the way of formulating them.

Victor Meyer Balasiano, director of the old people's home in Alexandria, says "The treaty is a great step toward peace. It is sufficient that after 35 years

I saw my brothers there; beyond that, none of us is thinking of emigrating now. Why? Because a person emigrating to Israel now has to bear the responsibility himself, not as in the past — the government gives him work, a home and support. I do not talk about politics, but, like the president, what he says goes."

Lina Matatiyah, secretary of the Jewish community in Alexandria, says "I was born and lived in Egypt, and did not think of emigrating; even after I visited Israel last February, emigrating did not occur to me. I went to Israel as a tourist, just as I used to travel to Switzerland or London, and returned to Egypt, my country.

"I did not believe my eyes the day I saw President al-Sadat in Jerusalem on television. It is enough that we once again saw old school friends. Unfortunately, my husband died before he could see peace achieved. I did not face oppression in Egypt before the treaty, although today I feel pride in my Jewishness, and we are no longer hated in Egypt."

Issaac De Bashuqu, a merchant and dealer in radios and electrical appliances, says, "Happiness fills our hearts in Egypt and in Israel. God willing, there will be strong relations between the two countries. I have three brothers in Haifa and I visited them there. I call upon Jewish investors to come here from Israel and I am most prepared to cooperate with them and insure them.

"Here I own my own time and I am not thinking of emigrating. The Israelis are afraid of the Palestinians, but if Israel gave them a piece of land to live on, that'd be it -- everyone would relax. If the Palestinians throw bombs in Israel, Israel has the right to strike out at them in southern Lebanon. We pray that everyone will return to their senses."

Joe Harari (owner of a sewing goods shop) says "The joy of our lives was our joy at the peace. It is unthinkable after a lifetime in Egypt for me to emigrate. Anyone who opposes the peace is crazy. It's not fair to have people dying right and left."

Ibrahim Ishaq Sasu, a former mathematics inspector, says, "The initiative was a service by al-Sadat to Egypt. No one hates peace. I have two sisters who emigrated to Israel and I went to visit them recently. I hope that commercial projects between Egypt and Israel will resume. A Jewish emigre cannot return again to Egypt. I cannot decide whether to agree to travel to Israel to work there or not; it is up to God."

The diverse Jewish personalities to whom we gave an ear have given their views. As we see it, they are views which correspond completely.

If we had listened to every Jew in Egypt without exception, opinions would not have been different.

They are Jews, it is true; their hearts and sympathies are with their relatives and friends in Israel, it is also true.

However, they are also Egyptians, insisting on living in Egypt and being buried here.

If they thought otherwise, they would be in Israel now.

The pages on that subject belong to another article.

2,324 Families Occupied the Graves of Jews in Cairo

The Jewish community in Cairo has presented a complaint to the responsible authorities on the occurrence of violations against the community's graves in the al-Basatin area. The complaint stated, "We requested that orders be issued to the competent authorities to intervene rapidly to stop people's violations against these graves, prevent the construction of buildings on them, and expel the interlopers."

It added, "The situation has become worse now that some criminals have threatened the grave guards with weapons, compelling them to leave the area. We have not found anyone to do the guarding, as they are afraid of being hit."

The memorandum prepared on this matter by the General Planning and Reconstruction Department in the Governorate of Cairo stated that the violations by people are occurring in part on open land broken up by graves and courts, and most of them lie on quarry lands owned by the government. The cases of trespass come to 1,380 dwelling units occupied by 2,224 families!

11887

CSO: 4802/568

FINANCE MINISTRY EXPERT DISCUSSES TAX SYSTEM

Cairo AL-IQTISAD WA AL-MUHASABAH in Arabic Jan 81 pp 3-8

[Article by Sayyid Muhammad Habib: "The Evolution of Income Taxes in Egypt"]

[Text] Law No 14 for the Year 1939 was issued to impose a tax on revenues from movable capital, commercial and industrial profits and wages. This law was based on the system of specific taxes, and broke revenues down into three types by source:

Revenues whose source was capital alone, revenues whose source was capital and labor together, and revenues whose source was labor alone.

These three specific taxes were then covered by a general tax on revenues to be applied at escalating rates to the overall net total revenues of the individual taxpayer, if these were greater than 1,200 pound a year; this rose to 1,500 pounds a year as of January 1978.

After this there followed the successive issuance of income tax laws which were aimed at closing loopholes revealed through application and at developing taxes to keep up with the social, economic and political circumstances prevalent in the country. Examples of this were the laws reconciling, eliminating and defining the tax community tax cards, the system of deductions and additions and other laws.

As a result of the large number of successive laws which were issued, the tax system was almost shaken, obscurity enshrouded many of the provisions, disputes between taxpayers waiting to be ruled upon in the contestation committees and court-houses piled up, coming to the tens of thousands, the delayed payments by taxpayers accumulated to the point where they reached more than 100 million pounds in recent years and the opportunities for evasion open to taxpayers increased.

Out of the desire to make taxes perform their duty of disseminating social justice, the president sent a message to the People's Assembly on 3 February 1975. The government was notified of this message at the same time. The message stated that the tax system would have to achieve the following policies:

1. Tax would have to be a means for distributing burdens among citizens in a just manner, whereby tax policy would take account of all the citizen's circumstances and would extend to all their income, lest some revenue escape taxation and give taxpayers the chance to act fraudulently by distributing elements of their wealth and revenue among various members of single families.

2. Tax should be a means for limiting expanding wealth and an instrument for narrowing discrepancies; this requires that thought be given to determining a tax on the capital profits realized through increases in certain funds without the exertion of effort.

3. Tax should be a means for limiting manifestations of excessive luxury and impulses toward luxury consumption and an incentive for productive investment, through increased levies and indirect taxes on luxury commodities and luxury services, accompanied by reduced or eliminated taxes on essential commodities.

In carrying out the president's directives, the Ministry of Finance prepared a draft law which the government presented to the People's Assembly on 12 June 1977 titled "taxes on income." This draft listed a group of laws on income taxes which were issued through the issuance of Law No 14 for the Year 1939, imposing taxes on revenues from movable capital and commercial and industrial profits and earnings; Law No 99 for the Year 1949 imposing a general tax on incomes; and the decree on Law No 7 for the Year 1953 on the general list and laws modifying that. Among the most significant features of this draft were:

First, the draft retained the system of specific taxes, while providing the necessary flexibility to act in accordance with the requirements of development in the future.

Second, the tax on certain revenues from movable assets and the tax on interest on loans, deposits and insurance were merged into a single tax titled "tax on revenues from movable capital." Imposition of this was restricted to bodies other than finance companies or corporations.

Third, the draft in Part Six, included independent provisions on finance companies and corporations, under the title "tax on the profits of finance companies and corporations." This tax dealt with these companies' undistributed profits and distributions from sources other than annual profits.

However, the draft law on taxes on incomes did not pass the People's Assembly, and the government prepared another draft known as the law on "the attainment of tax justice." The government sent that to the People's Assembly toward the end of 1977. The most important features of this draft were the following:

1. It subjected revenues which had not been subjected to taxes before, most important of which were profits from single transactions, single real estate transactions, furnished apartments, orchards, garden crops and livestock and poultry raising, to taxes on commercial and industrial profits.

2. It specified tax facilities for small taxpayers and increased the limit of exemptions for family burdens from 500 to 600 pounds a year, while removing limits on exemptions for taxes on wages, salaries and the like.

3. It set forth provisions for bolstering the domestic economy, exempting the interest on deposits and insurance in savings and deposit boxes from taxes, giving tax holidays ranging from 5 to 8 years from the start of pursuit of certain

activities and reducing the general tax rate on incomes, lowering that 80 percent in the case of people whose total overall net income exceeded 100,000 pounds a year. It also exempted incentives from taxes to encourage increased output.

4. This law strengthened inspection, assessment and collection measures and prevention of tax evasion, tightened measures to which taxpayers would be exposed when it was provided that they had used fraudulent means to evade payment of part or all the taxes they owed (setting that at hard labor for limited periods), and stipulated that the crime of evasion of income tax payment was to be considered a crime detrimental to honor and public trust depriving convicted persons from assuming public positions and posts and making them lose confidence and status.

The People's Assembly debated this draft, approved it and presented it to the president on 15 May 1978. However, the president used his constitutional right, in accordance with Article 113 of the constitution, which stipulates that if the president opposes the draft of a bill the assembly approves he may reject it within 30 days of the date he is informed of it by the assembly. If he does not reject the draft law within this time it will be considered a law which he has issued. If he rejects it within the date presented to the assembly and the assembly passes it again by a majority of two thirds of its members, it will be considered a law which he has issued.

In accordance with the provisions of the constitution, an objection by the president was presented to the People's Assembly on 31 May 1978, that is, in the period of 30 days specified by Article 113 for objections. The president's message to the assembly contained four observations:

First, the draft law concerning the attainment of tax justice was restricted to partial modifications of the existing income tax. These modifications, in spite of their importance, did not get to the essence of the existing tax system, whose history goes back more than 40 years; it was necessary to review the whole tax system, including direct and indirect taxes, in order to achieve social justice.

Second, the message stated that the draft achieved some goals of social justice, in terms of the distribution of burdens, by specifying a number of exemptions and facilities in the case of people with low incomes, eliminating hardships from people with low incomes, and subjecting some new activities to its provisions. The message added, "However, a not insignificant number of Egyptians with high incomes work in some new projects which enjoy tax exemptions and are not subject to the tax provisions which other Egyptians are subject to. Adding to the strangeness of the situation is the fact that they are Egyptians living in Egypt, benefiting from services which the government offers and consuming commodities which the government subsidizes."

Third, the message stated that the draft had specified some provisions encouraging citizens to save and invest in development projects, and limiting the headlong rush to consume goods and services. The president's message then added, "However, we observe that some of these exemptions require a review which will lead to their elimination or reduction, according to the nature of the activity and its effect on the national economy."

Fourth, the draft law specified the rules contained in the provisions on assessment and collection and the prevention of tax evasion, closing off ways in which taxpayers can act fraudulently. In this regard it codified the provisions included in decree on Law No Two for the Year 1977, in responding to the sense which had previously been declared by the president's message to the People's Assembly on 3 February 1975 and the need to set out a strong system for collecting taxes and guaranteeing that tax payment is not evaded.

One result of the president's objection was that a joint committee was formed from the government and the People's Assembly which introduced some essential modifications into the draft law on the attainment of tax justice. It held a number of meetings in the months of June and July 1978 and introduced a number of modifications, of which the most prominent were the following:

First, eliminating stipulated tax exemptions for certain hotel and tourist installations, rest houses, furnished houses and apartments, resorts, night clubs, casinos and taverns. These exemptions had been set out in Law No One for the Year 1973 on hotel and tourist installations.

Second, eliminating tax exemptions stipulated for certain redevelopment companies and consulting firms.

Third, restricting the general income tax exemption for Egyptian taxpayers' shares of the profits of any project to the period of exemption of the project itself.

Fourth, subjecting receipts by members of the boards of directors of companies exempted by the provisions of Law 43 for the Year 1973 bearing on the investment of Arab and foreign funds in Egypt to half the tax on movable assets and related matters.

Fifth, refusing to permit the stipulation of any exemptions for Egyptians working in the projects established in Egypt in the future by virtue of international agreements, or upon the renewal of existing agreements.

Sixth, imposing a tax on every permit issued to an Egyptian to work abroad or to work with any foreign project in the Arab Republic of Egypt in accordance with the provisions of Law No 173 for the Year 1958 stipulating the receipt of permission before working for foreign entities. This will total 50 pounds for each year for which permits are given, in the case of people possessing higher credentials, and 20 pounds in the case of others.

Seventh, the law imposes a tax on luxury consumption, as follows:

1. Parties and luxury services performed in general tourist hotels, at a rate of 20 percent of the price paid.
2. Chalets and cabanas situated in summer and winter resorts of any kind; the tax will be the equivalent of 20 percent of the use payment stipulated annually, or the value of the rent basically stipulated in assessing tax on the real estate shown, according to the case.

3. A private vehicle or vehicles, in addition to the first vehicles of a single family, as well as vehicles whose engine size exceeds 2 liters and which have been manufactured less than 2 years ago. This tax will be double that stipulated on private vehicles and their accessories in accordance with the provisions of Law No 66 for the Year 1973. In applying the provisions of this stipulation, "family" will mean the husband, non-working wife, and minor children. This tax will be collected on cars in accordance with the procedures and rules stipulated in this law.

4. Tickets for travel abroad which are sold in local currency, except for the travel of students, travel for medical treatment, study, training, the pilgrimage to Mecca, the off-season pilgrimage to Mecca or official missions. The person traveling will defray this tax, which will be 10 percent of the value of the ticket.

The law on the attainment of tax justice was issued by Law No 46 for the Year 1978 and was published in AL-JARIDAH AL-RASMIYAH on 20 July 1978. Chapter Four of this law was devoted to the provisions referred to above, under the title "support for social solidarity." It is worth pointing out in this regard that these are indirect taxes which to some extent help limit luxury consumption and when applying them one must not broadly construe the meaning of luxury services, lest the tax extend to activities which the draft did not contain. Much dispute has arisen between the Tax Department and taxpayers on the definition of certain activities which Law No 46 for the Year 1978 subjects to the "support for social solidarity" tax, leading the Tax Department on 10 September 1978, to write to the Council of State (Department of Judicial Rulings on the Ministries of Finance, Trade, Finance and Insurance), requesting an interpretation on:

1. What is meant by the luxury services which hotels and public tourist sites offer: do lodging and the provision of food or drink for lodgers and visitors enter into these services, and must luxury service accompany the holding of parties in these places or not?

2. Will second cars of families be subjected to four times the tax if 2 years have not elapsed since their manufacture and their engine size exceeds 2 liters, or will they just be subjected to double the tax?

3. The extent to which tickets abroad for resident foreigners are subject, if their price is paid in hard currency in the banks, when they are reserved in local currency in accordance with a certificate or notice from the bank stating that the source of this currency is foreign currency deposited in the bank in accordance with the stipulations of the Law Regulating Transactions in Foreign Money No 97 for the Year 1976 and its executive bill.

On 27 February 1979 the Council of State ruled the following, through Judgment No 4/1/498, in response to the Tax Department:

Parties and luxury services cannot include the provision of meals, drink or lodging, because meals and lodging are ordinary matters of living. In addition, drinks do

not enter under the definition of luxury services because, if the legislative power had wished to subject them to this tax, it would have stipulated that explicitly, especially since they are usually served outside hotels. The meaning of luxury services, in the sense of Section One of Article 31 of the Tax Justice Law No 46 for the Year 1978, is, rather, services which a hotel or tourist site performs for its account or the account of others, outside its normal hotel or tourist activity, requiring special preparations which differ from the preparations needed for normal activity.

As regards the tax on second vehicles for families, if 2 years have not elapsed since their manufacture and their engine size exceeds 2 liters, the Council of State ruled that the basis in calculating the tax rate on cars is the tax stipulated in accordance with the Traffic Law, which is to be considered the basis for this tax. Therefore, the multiplied amount for that rate must be paid out and not the rate which is multiplied by the Tax Justice law. Therefore, the luxury consumption tax on second cars, whatever their engine size, will be double the tax stipulated in the Traffic Law.

As regards travel tickets for non-resident foreigners, the basis for the tax payment due is the purchase /price/ of the ticket in local currency, whatever the source of this currency is: /when/ the ticket is purchased the tax stipulated on it is due.

Here we must question whether the issuance of Law No 46 for the Year 1978 on 20 August 1978 regarding the attainment of tax justice has brought about a comprehensive evolution in the income tax system in Egypt.

On reviewing the draft of this law, the government declared, in the People's Assembly, that it was a tentative law and that it saw fit to hasten the issuance of that law so that the taxes would extend to revenues which had not previously been subject to tax, until a comprehensive redevelopment of the income tax system in Egypt was made.

Perhaps one of the most important issues related to the comprehensive development of taxes in Egypt is whether we will continue with the specific tax system now in effect or will shift to a unified tax system.

Related to this is the question of what measures seem appropriate in a shift from specific taxes to a unified tax, if opinions settle on such a shift, so that catastrophe will not befall the tax system.

The Specific Tax and the Unified Tax

In the realm of income tax, two systems occupy central attention:

Specific taxes, on the one hand, and unified taxes on the other; each has its supporters and its opponents. In the desire to determine which of the two systems would be suitable for our economic, social and political circumstances, we will review each in some detail.

With specific taxes, the taxpayer's revenue is divided into a number of types, according to the source of each. The source of revenue might be capital alone, as is the case with the yield from stocks and bonds, the source of the revenue might be labor alone, as is the case with wages and salaries, or the source of the revenue might be the use of capital and labor together, as is the case with commercial and industrial profits.

The most important benefits of the specific taxes may be summarized by the fact that they are distinguished, from the standpoint of tax treatment of incomes, by their stability: the tax is imposed at a high rate on revenues derived from capital alone, a moderate tax is imposed on mixed revenues derived from capital and labor together, and tax imposed on revenues derived from labor alone is modest.

The tax system can also use various methods, as the nature of each form of revenue varies from the standpoint of assessment and collection. In the case of profits from commerce, industry and non-commercial professions, each taxpayer will be requested to present an annual declaration stating his revenues, expenditures, family obligations, and net profits subject to tax. In the case of the tax on movable assets which is imposed on the yield of stocks, bonds, loans, credit and treasury authorizations, this can be collected through the body which is in charge of paying these amounts to the people to whom they are due, following the method of withholding at the source. The same is the case with the tax on wages, salaries and the equivalent; these can also be collected by the method of withholding at the source.

Herewith is a statement on specific taxes collected through the method of withholding at the source compared with the specific taxes which are collected by declaration during the past 4 years. [No statement given.]

The most important criticisms directed against the system of specific taxes are the following:

1. They do not realize tax justice. The modern notion of justice is equal treatment of equal persons and unequal treatment of persons who are not equal. If individuals are equal in terms of their revenues, justice demands that these individuals be equal in terms of the taxes each defrays. If one person's revenues are greater than another's, he must pay tax at a higher rate than the other person pays, because justice, here is not equality in rates but rather equality of sacrifice. Since specific taxes in general are relative taxes, they do not achieve tax justice.
2. The receipts anticipated from specific taxes are less than those from the unified tax, in view of the breakdown of revenues into different brackets, which leads to the fact that these brackets are not subjected to high rates and consequently there is a shortfall in collection. Tax exemptions in the specific tax system are also numerous.
3. The procedures multiply with the multiplicity of brackets in the specific tax system, increasing the burdens on people working in the tax system and on taxpayers at the same time.

The unified tax aims at having the government impose a single tax on the taxpayers' revenues after they are combined — that is, the elements of each taxpayer's revenues are looked at as a single unit, regardless of their sources.

Proponents of the unified tax consider that it is preferable to specific taxes from the fiscal, administrative and social points of view.

First: From the Fiscal Point of View

The unified tax is considered to provide a greater yield than specific taxes for the following reasons:

1. Economy of tax collection: the unified tax requires a single agency to deal with taxpayers regarding all their revenues from various sources. The specific tax system requires a number of agencies to examine, assess and collect numerous taxes.
2. The unified tax is imposed on the total revenues the taxpayer receives; therefore, taxpayers enjoy only one exemption, for a minimum cost of living and family obligation. In the case of specific taxes, however, exemptions may proliferate with the multiplicity of brackets, and some taxpayers try to move revenues out of the type of tax with the highest rate into another type with a lower rate. This is the case with doctors who practice medicine in their own hospitals; their profits from the administration of the hospital are subjected to the commercial and industrial profits tax, while their efforts in treating their patients are subject to the liberal professions tax, which is at a lower rate than the commercial and industrial profits tax.

This all results ultimately in a reduction in the tax collected.

3. There is no doubt that unified taxes yield more than specific taxes because of the escalation in the rate of the unified tax: the rate increases as the taxpayer's revenues increase, while, in the system of specific taxes, revenues are broken down into diverse compartments and the tax rates are often imposed at a specific percentage and do not escalate.

Second: From the Social Point of View

1. The unified tax is a personal tax which applies to natural persons. Therefore, on determining the unified tax bracket, consideration is given to the living conditions of the taxpayer, family obligations and the debts he is obliged to pay. In general, the unified tax is more just than the specific taxes because it is collected from the taxpayer "according to the ability to pay."
2. The escalating tax rates demand a review of the incomes as a whole. Therefore, it is incorrect to say that escalation is stipulated for specific taxes.

Escalation in unified taxes works to bring the incomes of various classes closer, bringing about social justice in its nicest form.

The unified tax is not devoid of criticisms, because one of the concomitant features of this tax is that it determines the real profits of each taxpayer, which is difficult to do on many occasions, as is the case with people practicing liberal professions, people engaged in skilled trades, some artists engaged in singing and dancing and so forth. Therefore we find that some intellectuals are calling for the imposition of fixed taxes on taxpayers whose profits are difficult to specify accurately.

The fact is that most accurately specifying the profits of taxpayers depends on two basic elements:

The competence of the tax agency on one hand and the awareness of the taxpayers on the other.

From the foregoing it is apparent that both the specific and unified taxes have benefits and flaws. Therefore, we find that some countries use the former system and some others the latter. In socialist countries, specific taxes are imposed upon various activities. In Russia, for example, one tax is imposed on farmers and another on professionals; specific taxes are imposed on public institutions, on profits or gross revenues. In the capitalist countries, the unified tax system is used, as is the case in America, Britain, France and so forth.

Since the early fifties, people in Egypt have called out for a shift from the system of specific taxes to that of the unified tax, preparatory to the execution of a comprehensive tax reform. A number of conferences were held in Egypt, among the most important of which were the Conference of the League of Tax Officials in December 1975 and the tax conference held by the Faculty of Commerce at 'Ayn Shams University in March 1979. These conferences referred to the effects a comprehensive shift might create, jolting the existing tax system and creating an impact on the collection of taxes before the specialized agencies and taxpayers became able to familiarize themselves with this new system. One cannot ignore the difficulties which will emerge in the context of the new system as far as people paying real estate taxes of both kinds, on land and buildings, go: these are taxes which with their organizations and rates are hard to incorporate into the compartment of the unified tax, not to speak of the difficulties facing people paying taxes on land and buildings, taxes on salaries and the like, if they are bound to the declarations and measures of the unified tax each year.

Numerous difficulties stand in the way of the process of shifting from the system of specific taxes to the system of the unified tax, which one can summarize as follows:

First, specific taxes are characterized by the fact that they distinguish among revenues according to their sources. Revenues derived from capital alone, such as profits on shares and interest on bonds, are subject to the movable assets tax at a rate of 40.55 percent and do not enjoy exemptions for family obligations, while revenues derived from wage earnings are subject to a 2 to 22 percent tax on wages and salaries — in addition, the persons paying this tax enjoy exemptions of 600 to 660 pounds a year, according to conditions.

In the event of a shift from the system of specific taxes to the unified tax system, it will be necessary to create a unified rate between 2 and 40.55 percent, so that the tax burden on minor employees and laborers will not be large and the tax burden on major taxpayers will not be small, leading to a drop in collections.

How will this be done? It is necessary to work to solve this difficult equation.

Second, it is hard to determine the actual revenues of some taxpayers, such as some groups of professionals, craft employees, artists, musicians and singers.

Since the unified tax is based on real, actual profits, it is necessary to seek a way or ways by which the tax system will be able to determine these taxpayers profits most accurately.

Third, there are still some revenues which are subject to tax, such as agricultural activity, when that is not in the form of corporations, and the revenues of some people working in joint authorities active in Egypt, by virtue of the law establishing those authorities.

These exemptions are not in keeping with unified tax theory, which is based on the principle of the "ability to pay," which is measured by the amount of revenues collected from various sources.

Fourth, the unified tax depends on a high level of tax awareness among the taxpaying public, because it is essentially based on the submission of correct declarations and depends on the real profits of every taxpayer, which on most occasions need regular books and accounts.

However, most taxpayers do not keep regular accounts and do not submit correct declarations, which complicates matters for the tax system in ascertaining each taxpayer's real profits.

Fifth, adopting the unified tax system requires a tax system of high competence which can examine and assess taxes year by year and demands that few disputes occur between taxpayers and the Tax Department, contrary to the case now.

In the face of these difficulties, it is necessary to pass through a period of time of no less than a period of time of no less than a year and a half to prepare the measures necessary to shift from the specific tax system to the unified tax system. One can divide these measures into three categories:

The first category:

Preparation of the necessary legislation for the unified tax, basing in on sound scientific foundations built in accurate statistical data so that it will be possible to determine the fundamental elements which the tax is composed of, namely:

The tax bracket.

The tax rate.

The anticipated revenues.

In terms of the tax bracket, it is necessary to break taxpayers down into groups according to their gross annual revenues and the number of taxpayers in each group, while stating the number of taxpayers whose revenues are derived from one source and the number of taxpayers whose revenues have more than one source.

The second category:

Preparing the tax system in a manner which will qualify it to bear the new burdens laid on its shoulders upon adoption of the unified tax system and providing suitable places and filing equipment so that offices will be able to receive the hundreds of thousands of annual declarations submitted by the taxpayers. One can summarize these measures in the following:

1. Completing the inspection and assessment of tax for past years so that the taxes for various years will not be commingled.
2. Collecting late tax payments owed by taxpayers, which, in August, 1979, came to 233 million pounds.
3. Establishing a data bank whose task will be to organize the data which various ministries, departments, local administration units, public sector units and so forth send to the Tax Department concerning taxpayer dealings, and establishing a data bank by sending this data to the relevant tax offices to be accompanied by the files of the taxpayers involved so that tax officials can correctly ascertain the commercial dealings of each taxpayer and determine the true profits of each taxpayer in accordance with this data.

The third category:

Performing guidance for taxpayers, so that if the shift is made to the unified tax system they will be able to perform their commitments of keeping proper books on their correct profits and submitting annual declarations on time. In order to achieve this, it is necessary for the Tax Department to prepare publications and brochures to be distributed among taxpayers and to expand the establishment of offices in the branches, in order to help taxpayers with the explanations they may require. In Japan, there are special departments in every tax branch for receiving taxpayers and answering their requests for information by telephone, correspondence or personal meetings.

These measures must be adopted seriously, deliberately, and sincerely through organized planning and through scientific study, so that it will be possible to state that the unified tax system may be applied in Egypt in 1981 and the government will thereby have comprehensively developed an income tax system.

11887
CSO: 4802

PROPOSITION ISSUES DECREE ESTABLISHING SERVICE BUREAUS

Cairo AL-JUMHURI AL-BAHITHI in Arabic 5 Feb 81 pp 342-44

[Law] "Decree of the President of the Arab Republic of Egypt No 70 for the Year 1981 Organizing Citizens' Service Bureaus"

[Text] The president:

Having read the constitution;

Prime Minister's Decree for 3407 for the Year 1966 regarding the organization of complaint bureaus;

Decree of the President No 446 for the Year 1978 on the affiliation of complaint, security, organization and administration units;

And the agreement of the Council of Ministers;

Has decreed:

Article One. Citizens' service bureaus will be established in the ministries, departments, service, economic, national and local general authorities, governorates, other local government units, public sector economic units, councils, and central agencies or agencies with special budgets.

Article Two. The citizens' service bureau will be subordinate to the minister or head of the body in which it is established. It will be established by his decree. In forming the bureau, care will be taken to see that it is made up of personnel who are able properly to receive citizens and effectively participate in reducing and resolving their problems, dealing with the issues presented, arriving at resolutions to them, and taking charge of field investigation and followup activities and preparation of data and statistics.

Article Three. The citizens' service bureau will be concerned with the following:

1. Receiving citizens who request service, responding to their inquiries, and directing and guiding them to the competent bodies.
2. Cooperating positively in reducing the obstacles facing executive action in order to arrive at a solution to mass and general problems.

3. Receiving requests for information and citizens' complaints and demands collecting those which require investigation, transmitting them to officials and following up on responses to them.
4. Working to solve mass problems, following up on the attainment of solutions to them, and notifying the citizens of the results, be they negative or positive.
5. Investigating and studying the material published by newspapers and magazines and established by the various media concerning individual or general mass problems with the goal of managing to eliminate their causes and solving them.
6. Preparing a simplified working directory of the names of the various departments, their areas of competence, their method of work performance, the conditions and papers necessary for applying for the services they perform, their sites and the period of time required for their presentation.
7. Presenting indices which give evidence of the performance level of public services and providing recommendations to improve and develop these services and simplify their performance procedures.

Article Four. A citizens' service and public opinion orientation unit will be established in the Secretariat General of the Council of Ministers which, in addition to the areas of competence of the citizens' service bureaus stipulated in this decree, will have the following special functions:

1. Preparing periodic reports on public opinion trends, problems revealed by citizens' letters, the results of the followup of the activities of the citizens' service bureaus in the various bodies and recommendation of suitable solutions to them.
2. Presenting citizens' letters and recommendations that carry mass weight and influence public opinion trends.
3. Extracting statistical data from the periodic reports, analyzing it, categorizing it, and preparing a general annual report containing the actions of the citizens' service bureaus, difficulties facing them and recommendations for reducing them.

Article Five. Prime Minister's Decree No 3407 for the Year 1966 regarding the organization of complaint bureaus is abrogated and these bureaus will be incorporated in the citizens' service bureaus established in accordance with the provisions of this decree.

Article Six. This decree will be published in AL-TARIDWI AL-FASMIYNI.

Issued by the Office of the President on 19 January 1981.

(Signed) Anwar al-Sadat.

ROLE, FUNCTION OF VARIOUS STATISTICAL, PLANNING AGENCIES WEIGHED

Cairo AL-NIRAM AL-IQTISADI in Arabic 16 Feb 81 pp 16, 17

[Article by 'Ali 'Ali Faraj: "The Planning Agencies: Have They Performed Their Role?"]

[Text] The performance of planning activity depends to a large extent on the organizational form of the planning agencies; organizational form is one of the decisive elements in determining the competence, effectiveness and success of national planning activity. The success of any planning agency does not depend just on the use of scientific methods in preparing, executing, following up on and evaluating the plan, but also on the extent of the soundness of the executive framework of the planning agency and the extent to which that is in keeping with plan requirements at various stages. Comprehensive planning, as a technique for administering the national economy, requires numerous agencies, not just one.

There are reciprocal relations among these agencies, although the results of planning activity flow into the Ministry of Planning, since that is the main technical planning agency. The remaining auxiliary planning agencies are the National Planning Institute, the Central Agency for Mobilization and Statistics, the Investment Bank and the Price Planning Agency (before that was merged into the Ministry of Planning).

It is worth pointing out that auxiliary agencies operate under the supervision of the Ministry of Planning. There are other cooperating agencies which lie outside the supervision of the Ministry of Planning, including various planning and followup offices, the Ministry of Finance's agency for preparing the government budget, the Ministry of Economy's agency for preparing the foreign currency budget, and the Central Organization and Management Agency. In this article, we will deal with a study and evaluation of the planning agencies in Egypt in order to ascertain the role of each in the planning process, its internal relations, and the problems which arise from these relations and have an effect on the plan and on planning.

The Planning Ministry

This is concerned with preparing the various plans after tabulating revenues, studying financing resources, preparing more than one alternative recommendation, distributing investments among the sectors in an overall fashion, coordinating plan projects in the context of each sector and ultimately in the context of the domestic economy, and also following up on execution of the plan.

In our opinion, the current organization of the Ministry of Planning is based on the fact that it is an executive agency, while it ought to have been viewed as an agency for collective scientific research, whereupon it would have been proper for it to take the form of homogeneous, interrelated work groups. In addition, the functions of specialization within it have been of a research, scientific and technical nature, which has necessitated that attention be given to staffing it with high-level experts and specialists -- all the more so since many competent people in the ministry have left it to work outside it or abroad. As for supporting it by considering it to be the central planning agency, we consider that it should be transformed into an authority directly subordinate to the president so that its decrees will take precedence and priority over those of the ministries, and that it should be guaranteed that political support is made available to the agency, convincing and compelling the various bodies of the seriousness and urgency of dealing with it, since it has been noted that planning loses its effective role whenever political attention to it declines.

The National Planning Institute

The institute was founded essentially to furnish the research necessary to solve economic and social development problems and make them conform to what is appropriate to the circumstances of Egypt, as well as to train people working in the planning agencies and help spread planning consciousness. This makes the institute a center for scientific research oriented toward economic and social development.

It is to be observed that the relationship between the Ministry of Planning and the institute has not been as it ought to have been. It was deficient in actually participating with the ministry in preparing the plan; since it is the scientific planning center, the institute does not participate by expressing opinions on policies, decisions and laws affecting the plan and planning. It is also to be observed that supporting units and agencies do not ask it for help in preparing their plans and studying the feasibility of their projects.

The Central Agency for Mobilization and Statistics

This is responsible for gathering, setting up and publishing various statistical data in the government context. It is internally independent in the administration of its activities, although it was supposed to have acted under the supervision of the minister of planning. This has not happened in a complete fashion at least as far as the technical areas of competence of the agency go; as a result, there has not been any sort of coordination between the ministry and the agency. It would have been better had the former depended on the latter to provide the data to help it forecast economic and social conditions through the time sequences of various overall variables, which would benefit planning to a large degree. It is observed that the agency does not currently provide the ministry with the necessary data and information for preparing the national plan and the statistics resulting from that; although they do deal with various aspects of social and economic activity, that is not adequate and their formation is issued in the form of sectoral breakdowns which do not conform with those contained in the plan. In addition, the information is ordinarily issued late, which prompts the Ministry of Planning to rely on itself to procure this data from its primary sources, which results in an overlap in activity and effort wasted without cause, oppressing the bodies sending in the data in an unjustified manner.

It is also worth pointing out that although there are no computers in the Ministry of Planning to gather and classify the planning data, such equipment does exist in the agency. The tenuous bond between the two bodies does not allow the former to use this equipment to classify and provide data which is of interest to it.

The National Investment Bank

The National Investment Bank was established this fiscal year for the purpose of financing all projects included in the general government economic and social development plan, by contributing to these projects' capital or providing them with loans and other facilities and following up on the execution of these projects.

In our opinion, the role of the bank is not restricted to financing plan projects -- it goes beyond that to participating in surveillance over the execution of the plan in its fiscal and material aspects.

Thus the followup process is drawn from the actual circumstances of execution, turning the bank into a means to intensify surveillance over followup reports. This sort of surveillance does not just reveal the extent to which the goals of the plan are being attained -- it also reveals difficulties in execution at the appropriate time, helping to rectify them quickly.

In this regard we consider that it is important to establish coordination between the bank and the ministry as far as project evaluation and investment financing operations and followup go, so that there will be no unjustified overlapping in the job.

Planning and Followup Offices

These offices have been established in various ministries, authorities and organizations in order to take charge of providing the Planning Ministry with data, information and proposed programs and projects, in order that it may express opinions on them, and reports to follow up on the execution of the plans with which they are concerned.

On the other hand, the ministry takes charge of providing these offices with the groundwork for preparing the plan, and it also provides them with the plan after it is authorized. In spite of this reciprocity, there are some problems obstructing the relationship, among them: the ministry's difficulty in obtaining certain data, the failure to provide bodies for that at the right time, and the tenuous coordination between the two bodies, as a result of which generally the Ministry of Planning takes sole charge of modifying the plan projects without any common discussion with these offices. This causes some people to consider that these offices' subordination to direct Ministry of Planning supervision will lead to a remedy and avoidance of these problems.

The General Budget Agency of the Ministry of Finance

The plan law stipulates that when the general budget of the plan is prepared, consideration is to be given to commitment to the annual goals of the plan, and that it is permissible to modify the investment spending allocations listed in the

general budget of the government only when that does not disturb the priorities of the plan. Therefore there has been a firm relationship between the budget and the plan. The former is only a financial plan serving the comprehensive goals of the plan. Moreover, the plan cannot be prepared in isolation from financing resources, on which information is available in the Planning Ministry, and this makes coordination between the two bodies necessary. Thus we find that the more closely the budget is incorporated in the plan, the greater the opportunities of success for the latter are.

The Foreign Currency Budget Agency of the Ministry of Economy

The cash budget contains the government's foreign currency revenues from various sources and a statement on how they are to be disbursed in accordance with the needs of the various sectors and the contents of the annual plan. Thus the cash budget is prepared in the light of the plan, within the limits of its framework, compelling the agency which prepares it to be in constant contact with the Planning Ministry. This has prompted some people to talk of incorporating it in the Ministry of Planning. This relationship is not restricted to preparation of the budget, rather it continues, whenever it is reviewed, from time to time, according to changes in circumstances and price levels domestically and abroad, as well as changes in exchange rates.

The Central Accounting Agency

Since one of the tasks the Central Accounting Agency performs is to follow up on the executive agencies' performance of their productive responsibilities in the field of activities and services, on grounds that it is the paramount surveillance agency, it has been assigned to prepare reports on the followup of plan execution and evaluate the results of execution of the plan.

However, it is to be noted that the agency has not set out standards bearing on execution and performance rates on the basis of which one can hold people accountable. The Ministry of Finance does not benefit from its reports, which perhaps can be ascribed to the fact that they are issued somewhat late and are not provided to the various planning sectors.

The Central Agency for Organization and Administration

One can say that there is no relationship between the agency and the Ministry of Planning, while it would have been possible for the two agencies to cooperate, along with the Ministry of Manpower, in the field of wage and manpower planning and labor distribution planning and in setting forth policies for using them in a manner consonant with the goals of the plan, as well as studying one general plan level and linking that with the level of income available for spending.

Before I finish presenting the role of the various government planning agencies in planning and followup, I would like to add that these agencies' efforts must meet with a positive response from political and popular organizations and enjoy

conviction on the masses' part that our society's prosperity will be realized only through sincere, creative effort in moving the wheel of production and development forward. This can come about only by getting the popular base to help set out development plans, on the regional level at least, so that the plan may realize the requirements and hopes of the masses.

11887

CSO: 4802/568

JORDAN

SOVIET SCHOLAR PRIMAKOV GIVES LECTURE IN AMMAN

Amman AL-DUSTUR in Arabic 2 Apr 81 pp 1, 17

[Article from PETRA: "In a Lecture at the Society of International Affairs Primakov Says, 'There Will Be No Peace Without a Solution to the Palestinian Question; Israel Is Taking Advantage of the Impasse To Carry Out Its Plans'"]

[Text] Professor Primakov, director of the Institute of Oriental Studies at the Soviet Academy of Sciences affirmed that to achieve a comprehensive and just solution to the Palestinian question, Israel will have to withdraw from the Arab land it occupied in 1967; the Palestinian people will have to practice their right to determine their own destiny, including their right to establish their independent state on their land; and the security of the countries of the region will have to be ensured.

In a lecture entitled, "The Middle East Question from a Soviet Perspective," which he delivered yesterday at the Society of International Affairs, Professor Primakov said that all the parties, including the Palestine Liberation Organization, the sole legal representative of the Palestinian people, must participate in the process of [finding] a comprehensive solution [to the problem].

Professor Primakov added that the Arab-Israeli struggle was one of the most dangerous locations of struggle in the world. He was referring to the fact that that struggle was universal in character since the two super-powers were interested in it in one way or another. Primakov said that the struggle was also related to world economic matters, especially since the advanced countries had an economic interest in the riches of the region of struggle. Primakov explained that oil still played an important and a principal role as a source of energy.

He said that the so-called Jordanian option was a proposal whose objective was to solve the Palestinian question at Jordan's expense. This proposal was made by Israel and the United States after the Camp David accords reached a dead end and after there was confirmation that the Camp David accords had not achieved the required solution and the peace that had been hoped for in the area.

He said that Israel was taking advantage of the current impasse to increase its control over the occupied Arab lands and [to further] the economic subordination of these regions to it. Israel was also increasing its acts of banishing and evacuating the legal owners of the occupied lands.

Professor Primakov said that the Camp David accords had failed disastrously to find a peaceful solution because these accords served the interests of Israel. He said the accords were not able to achieve a possible solution. He explained that the basic solution lies in solving the Palestinian question without which there can be no solution. This is what the Camp David accords failed to achieve; [instead] the accords increased the complexity of the situation and came to a dead end.

Professor Primakov explained that the Soviet Union supports the call for convening an international conference to look into the Middle East problem. Interested countries, the Palestine Liberation Organization, the Soviet Union, the United States of America and the countries of western Europe would participate in this conference.

He added that despite the fact that Israel has kept quiet about its nuclear industries, American newspapers are affirming that Israel does have nuclear bombs.

Professor Primakov indicated that the fact that the possibility for a nuclear confrontation in the area does exist is increasing the tension in the area as well as the magnitude of that tension on the international level.

The members of the Society of International Affairs and a number of interested persons heard the lecture.

8592

CSO: 4802/630

SLOWDOWN IN RATES OF DEPOSITS, LOANS NOTED IN SAUDI BANKS

Paris AL-MUSTAQBAL in Arabic 7 Mar 81 p 44

[Article: "Continued Slowdown in Average Loan and Deposit Rate in Saudi Banking Machinery"]

[Text] The main conclusion that can be drawn from available statistics on development in the activity of the banking machinery in the Kingdom of Saudi Arabia is that there is an inclination toward a slowdown in its rate of growth, both with regard to deposits of various types and to advances in various forms. This slowdown in the growth rate of the banking machinery's activity was evident in the fourth quarter of the fiscal year, equivalent to the last 3 months of the Muslim year 1400.

With regard to deposits, assembled statistics on demand deposits, savings accounts and term deposits show a reduction in the total in the last month of the past Muslim year to 45,387,600,000 Saudi riyals, a 2.6-percent decrease from the 11th month, which had registered an increase of 4.6 percent over the preceding month which, in turn, had registered a 1-percent drop.

While the total volume of deposits between the beginning and the end of the Muslim year had registered a 23.2-percent increase, a tangible increase, the declines recorded in all or some of the last months of the year coincided with a slowdown in the rate of loans, advances and facilities granted to various local customers which totaled only 1.7 percent in the 12th month compared with 2.3 and 3.4 percent in the 11th and 10th months and 6 percent in the 9th month. The 24-percent increase in total bank advances and loans between the beginning and end of the year 1400 made these indicators and results reflect the various effects of the interaction of official currency and fiscal policies of the Saudi Government with successive climates and developments in international currency markets.

While the fact that some local and mixed Saudi banks approached the maximum limit on loans as set by the Saudi Arabian Monetary Agency for maintaining a balance between the banks' financial structure and their resources and investments was a direct cause for the slowdown in the growth rate of advances in line with the slowdown or drop in the growth of deposits in recent months, the rise in interest rates among Saudi banks was probably a source of the slowdown in advances. This is because the high interest rates prompted many businessmen not to borrow, in anticipation of a drop. It should be pointed out that interest rates among banks in Saudi Arabia rose from 6 percent per month during the latter part of the

seventh month of the Muslim year to more than 19 percent during the second month of the current Muslim year. These increases were essentially the result of the rise in the interest rates on the dollar which attracted many Saudi and non-Saudi savings and deposits and which consequently caused a drop in the liquidity rate of the riyal leading to a rise in interbank interest on it.

8389

CSO: 4802/580

SYRIA

SOVIET HEALTH DELEGATION VISITS DAMASCUS

Damascus TISHRIN in Arabic 30 Mar 81 pp 1, 11

[Article from SANA: "Executive Declaration for Cooperation in Health Areas with the Soviet Union"]

The health talks between the Syrian Arab side, headed by Mr Ghasub al-Rifa'i, the minister of health, and the Soviet side, headed by Mr (Vasimov Ati), the minister of health in the Soviet Republic of Azerbaydzhan were concluded here yesterday evening.

The two ministers signed a declaration in the presence of the assistants to the ministers of health, the members of the Syrian and Soviet health delegations and senior officials of the Ministry of Health and the Soviet Embassy in Damascus.

The declaration stated that a delegation of the Soviet Ministry of Health headed by Mr (Vasimov) had visited the country this March to carry out the agreement concluded between the governments of the Union of Soviet Socialist Republics and the Syrian Arab Republic regarding cooperation in the field of health and medicine and to carry out the scientific and technological cooperation program between the two countries for the year 1981 and 1982. That program was approved in 1980.

During that visit the Soviet delegation had the opportunity to find out about health conditions [in Syria] and to become familiar with the conditions of the processes for preparing and developing the medical cadres. The Soviet delegation [also visited] archeological, historical and cultural sites in Syria.

The delegation also visited the College of Medicine at Damascus University and the intermediate medical institutes that prepare and swell the ranks of the medical cadres. The delegation also visited the therapeutic and preventive institutions of health as well as laboratory for drugs and children's foods. The delegation praised the high standard of health care and medical cadres preparation [in Syria].

The delegation also met more than once with the ministers of health and higher education and with a group of officials in the Syrian health sector. In the course of their talks the Syrian and the Soviet sides looked into the conditions and directions of cooperation in the area of health care and medical sciences. Both sides emphasized the importance of continuing to exchange expertise and information in the area of the medical sciences, such as surgery, oncology, ophthalmology and otolaryngology and in the area of communicable diseases and parasitology as well as the prevention of these diseases.

Both sides also looked into continued cooperation in the field of preparing and retraining specialists in these fields.

Both sides agreed to study and to determine the possible directions for cooperation between the two countries, and they agreed to exchange opinions about the questions that are pending so as to strengthen the continuing development of communications between the Soviet and the Syrian ministries of health.

The two ministers of health in the two countries exchanged a few words on this occasion, praising the results of these talks, especially with regard to strengthening the cooperation in the health field and fortifying the bonds of friendship between the two countries.

The two ministers also praised the common struggle against imperialism, Zionism and reactionaries.

8592

CSO: 4802/630

UNITED ARAB EMIRATES

STANDARDIZATION OF LAWS THROUGHOUT UAE

Abu Dhabi AL-ITTIHAD in Arabic 19 Jan 81 p 3

[Article by Ibrahim Ahmad: "An Important Federal Step Is Being Taken: The Standardization of Municipality Laws"]

[Text] This Is by Popular Demand, and All of Our Country's Citizens Wish to See It.

All the Chairmen of the Municipal Councils Support This Standardization and Have Provided All Possible Means to Achieve It.

What Are the Heads of the Municipalities Saying?

How Do They Visualize This Standardization, and What Is the Next Step?

During the days to come we will be seeing a series of serious and important steps being taken to standardize the laws of our nation's municipalities. This is an important federal step which has been adopted by the Council of the Secretariat General of Municipalities, the chairmen of the Municipal Councils, and the heads of the municipalities.

Standardization of our municipality laws represents an important federal step which will make all of our citizens rejoice and which will eliminate all the differences in laws between one municipality and another.

The second meeting of the Council of the Secretariat General, which was held in Abu Dhabi, discussed the suggestion concerning standardization of municipality laws. At that meeting it was decided to form a committee consisting of the secretary-general, the chairman of the session, and the head of each municipality which the committee would visit in order to interview the chairmen of the Municipal Councils.

The committee then presented the idea to His Highness Gen Shaykh Khalifah ibn Zayid. His highness welcomed the idea, so the committee then began its work and set up a time-table to conclude its task during the 4 months which have just passed. The committee met with the chairmen of the Municipal Councils in all of

the country's municipalities, and found that they welcomed this step and promised to furnish all means at the disposal of their municipalities to bring it about.

What are the heads of the country's municipalities saying now? How do they visualize this important federal step? And what is the next step to be taken in order to achieve this objective?

During the next few months an end will be put to the differences in the practices and procedures for dealing with citizens which many people have met with in the various municipalities of the country. There will no longer be any differences in the fees and regulations associated with health services, licenses and permits, construction of buildings, and planning. This represents the achievement of a wish which our citizens, heads of municipalities, and those working in our municipalities have long wished to see.

According to Jalel Darwish, the secretary-general of the nation's municipalities, this issue is of great importance. The chairmen of the Municipal Councils have already given their approval to this suggestion, and in supporting it they have emphasized their readiness to furnish all possible assistance for the sake of seeing this standardization achieved.

The secretary-general of the municipalities said: "We are really looking forward to this standardization because then there will not be any differences in the system of regulations which each municipality has. If we have standardization, all of our citizens will be dealt with according to the same system of laws. This will be of benefit to our citizens, will be in their interest, and will make things easier for them because differences in laws and regulations are troublesome to them. We have already succeeded in standardizing commercial permit forms in all of our country's municipalities. They are now the same in al-'Ayn as well as in al-Fujayrah. This is the first such step along the way that has been taken."

Mr Darwish continued: "We consider that the Council of Municipalities has not achieved many of its objectives. But after standardization of laws comes about, we will begin to achieve further steps by virtue of cooperation on the part of the chairmen of the Municipal Councils and the heads of the municipalities and by virtue of the material and moral support which we are receiving from His Highness the head of state and his deputy chief of state."

Mr Darwish added: "Standardization of laws will benefit municipality employees as well as all citizens because they will be able to relax and be secure in matters concerning their work and their jobs. This will definitely be reflected in their productivity which will then double, the result being that more and better services will be provided."

Mr Darwish then talked about the stages of the work which had been gone through, and the steps which had been taken, by the committee which had been formed to accomplish this task: "The committee began its work during the second session and worked up till the time of the current meeting. During this current meeting it was decided to complete the interviews with a meeting with His Highness Sheikh Khalifah ibn Zayid who had given his support to the committee's work from the very beginning

and had welcomed the step being taken. After this the jurists will hold a meeting in order to formulate their suggestions which will then be presented to the municipalities before they are sent to the responsible authorities and the Department of Islamic Legal Opinions and Legislation where they will take on the shape of a law which will be discussed and then promulgated."

In Everyone's Interest

Khalifah Muhammad al-Darmaki, the head of the municipality of al-'Ayn, said: "Standardization of the systems of regulations of the councils and of our laws is something which is of concern to our citizens, our workers and employees, and all members of society. The reason for this is that standardization of our laws will have a positive effect on the work and services done in the municipalities, and this standardization will contribute toward eliminating problems and will make it easier to conduct business. In addition to this, standardization of the regulations of the Municipal Councils, which are the legislative authority of our municipalities, will be in the interests of everyone. It is logical that such rules and regulations should be the same all over the country."

Coordinated, and Then Unified

'Ubayd 'Isa, the head of the municipality of Sharjah, said: "The Secretariat General is one means by which the municipalities have gotten together. This is one type of federation which has been brought about. So there has been all the more reason to have standardization of our systems of laws and regulations. In fact, the Secretariat General was established in order to achieve this objective. It is simply a matter of time. We are not talking about unifying all the laws and regulations, but rather coordinating them, because each municipality has its own bylaws and its own circumstances to deal with. Bylaws have many ramifications. What we need to do is to take the common denominator of things, and this will serve everyone's needs."

Mr 'Isa continued: "Everyone agrees that our existing laws should be brought closer in line with each other so that we can have a standardization of laws with regard to matters concerning licenses, construction of buildings, public health, and municipal governments. As I have said, to accomplish this is only a matter of time. We should not bring this about in an off-hand, impromptu fashion. This is being done by popular demand, all of the citizens in the UAE wish to see it done, and everyone will rejoice when it is done. Nothing is more important than having the same laws and the same practices and procedures when dealing with citizens in all of the country's municipalities. The reason for this is that it makes it easier for our citizens when dealing with local governments and has a positive effect on employees and citizens who are concerned." Mr 'Isa went on to say: "Each municipality has its system of laws and regulations. The volume of work in our municipalities now is a large one and is proceeding smoothly. But if regulations and laws in the municipalities are coordinated with each other, this will provide a great impetus toward making our laws uniform." "Standardization should begin with labor laws and regulations and then extend to joint enterprises and include constructive cooperation in all fields. This is the task and objective of the Secretariat General, and it includes its general rules and regulations. The

objective," according to Mr 'Isa, "is to standardize regulations, laws, and procedures. This is a large objective because it has to do with basic laws. It has nothing to do with jobs or employees."

Nothing Is More Important

Kamal Hamzah, the head of the municipality of Dubai, adds: "No matter or issue before the Council of Municipalities is more important than the standardization of the laws of the municipalities. It represents an objective and a desire toward which our society is striving. We began working on this when the Secretariat General was formed, and we have succeeded in standardizing commercial license and permit forms. And right now we are in the last stage of standardizing building permit forms. The only thing left to do is for us to standardize fees, procedures, and regulations."

Mr Hamzah continued: "The Secretariat General which was formed has made some good efforts and has met with the chairmen of the [Municipality] Councils, all of whom have welcomed these efforts on the part of the Secretariat General and have welcomed the step which we hope will take on a more positive form in the near future." Mr Hamzah added: "The Municipal Council and municipality of Dubai are providing all means at their disposal to help achieve this step. We believe that this step will produce action and results which will be beneficial to all members of society who have dealings [with their local governments]. This will also result in closer ties and a closer association between municipality bodies and organizations which perform similar functions."

A Strong Impetus

Sultan ibn 'Umayri, the head of the municipality of Umm al-Qaywayn and member of the committee by virtue of the fact that he was the chairman of the Council's previous session, assures us: "The work to achieve standardization of our laws received a strong and positive initial impetus when it was supported by all of the chairmen and vice-chairmen of the Municipal Councils. During its last session, which was held in 'Ajman, the Council reviewed the steps which the committee had taken. It noted the swiftness with which the committee had met with His Highness Gen Shaykh Khalifah ibn Zayid, who was among the first to support this idea and to help it get under way."

Uniform Laws

'Adnan al-Dajani, the head of the municipality of 'Ajman, said: "I demanded the promulgation of uniform laws for all of the municipalities so that there would not be any differences, from one principality to another, in the way citizens are dealt with or in the authority invested in the executive organs of the municipalities. Such a uniform set of laws has become an urgent necessity. What I have in mind is that citizens should be dealt with the same way in all of the principalities. This would result in the following:

1. Issuance of uniform personnel regulations for municipality employees which would set standard salaries and which would provide pensions for them when they retire.

2. Prevention of the drain of employees and technicians from one municipality to another because engineers or technicians see opportunities in another municipality and then go there in order to serve their own interests and in order to deal with the high cost of living.

3. Standardization of laws and regulations dealing with billboards and advertisements, so that they will be the same for all municipalities. We would then find things the same and the advertisements would be primarily in Arabic and secondarily in some other language. The reason for this is that the language of the country should be the one which is most prominent.

4. Standardization of the fees to be paid so that a citizen does not feel that he is being cheated when he finds that the fees are twice as much in one municipality as they are in another.

5. Standardization of the laws and regulations of the Municipal Councils, of the regulations, laws, and powers of the municipalities, and of the authority of the committees. Why should the authority of a member of the Municipal Council in Sharjah be different from that of his colleague in al-Fujayrah?"

A General Framework

The head of the municipality of 'Ajman feels that, in order for us to take bigger strides in this direction, we should form a committee of jurists and technical experts from all of the country's municipalities, and this committee would set up a general code of laws which would be a general and comprehensive framework which would define the authority of the municipalities. On the basis of this, laws and regulations could be issued and used as a basis for the laws of each municipality according to its needs and circumstances. One city might require something which another city does not require. This is especially true because some municipalities have facilities which others do not have--such as sewage systems.

Standardization Is Our Demand

Standardization of the laws is an urgent and vital demand, in the opinion of Khalaf Muhammad Thani, the deputy head of the municipality of 'Ajman. He said: "It is a step along the long road toward achieving complete standardization. 'Ajman was one of the first municipalities which demanded that the Municipal Councils as well as the municipalities have standardized laws which would apply to all citizens and would facilitate day-to-day business in all of the sectors of public health, building construction, sanitation, issuance of permits and licenses. With such standardization, persons dealing with the local governments would not encounter any differences in procedures whether they are in Dubai, Sharjah, 'Ajman, or Abu Dhabi. We who represent municipalities within the same country feel that this step is necessary so that business can be conducted."

Mr Thani went on to say: "Standardization of laws will achieve equality and justice for those who work for our municipalities. An engineer who works for any municipality will get the same salary as his colleague in Kalba, Abu Dhabi, al-'Ayn, al-Fujayrah, or 'Ajman. Each municipality will have the same conditions, will deal with citizens in the same way, will have the same fees, and the same procedures."

Mr Thani added: "Some of the negative features which some people notice are attributable to differences in regulations and laws. Permits and licenses are still not standardized, in spite of the standardization of forms and conditions."

Mr Thani concluded by saying: "All of those working for our municipalities hope that those who are in charge of this process will hurry up and promulgate the new laws. I believe that these new laws will bring about an increase in fruitful cooperation between the municipalities and Municipal Councils of our country. This is a good federal step that is being taken."

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ABU DHABI LEADS IN 1980 AGRICULTURAL PRODUCTION TOTALS

Abu Dhabi AL-WANDAH in Arabic 7 Mar 81 p 2

[Article: "100,000 Tons of Vegetables Produced on 7,400 Hectares in a Year; Abu Dhabi Led the Production List, Followed by Ra's al-Khaymah"]

[Text] Last year there were 10,500 agricultural holdings in the UAE with a total area of 32,000 dunams.

There were 4,700 (sic) hectares of land planted to vegetables and 10,300 hectares planted to fruit trees.

This was contained in a report by the Ministry of Agriculture and Fisheries on major developments in the agricultural sector for 1980.

The report indicated that last year vegetable production totaled about 100,000 tons and fruit trees produced about 48,000 tons.

In the area of animal resources, the number rose to 600,000 head, the bulk of which were goats, and the UAE's production of milk rose to about 29,000 tons this year.

Fish production totaled about 68,000 tons according to the report.

The Ministry of Agriculture's report states that agricultural production during 1980 was worth 908 million dirhams at current rates. Abu Dhabi led the emirates in agricultural production with 25.5 percent, followed by Ra's al-Khaymah with 24.5 percent, Sharjah with 20.6 percent, Dubai with 11.7 percent and then al-Fujayrah with 10 percent.

According to the ministry's report, in 1980 there were 17,298 persons working in the agricultural sector at an average annual wage of 20,000 dirhams. Of this number, 42.8 percent worked in the plant sector, 36.8 in the animal sector, 13.8 in the fish sector and 7 percent in services. With regard to the services indicators in the agricultural sector, there were 22 agricultural guidance centers in 1980 compared with 9 in 1972. There were also 42 pesticide units, 54 machinery repair teams and 117 tractors compared with only 11 in 1972.

The sum of 80 million dirhams was appropriated for supporting farmers with regard to agricultural and fish loans and loans for production needs and tractors while the ministry's pay and expenses totaled 79 million dirhams.

There were 17 veterinary clinics in addition to 7 mobile clinics with a staff of 35 veterinarians.

A large quantity of vegetables was successfully grown on UAE land with average annual production figures as follows: tomatoes, 25,000 tons; eggplant, 9,000 tons; okra, 600 tons; beans, 170 tons; cowpeas, 600 tons; mallow, 700 tons; chard, 3,000 tons; zucchini, 2,000 tons; cucumbers, 6,000 tons; cabbage, 7,000 tons; cauliflower, 5,000 tons; potatoes, 3,000 tons; onions, 3,000 tons; and carrots, 1,000 tons.

The UAE's average annual production of dates and fruits is 42,000 tons, that of lemons 3,000 tons, oranges 1,000 tons and mangoes 1,000 tons. With regard to field crops, the average production of clover is 37,000 tons and of tobacco 900 tons a year.

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1980 INVESTMENT AT 30 BILLION DIRHAMS

Abu Dhabi AL-WAHDAH in Arabic 7 Mar 81 p 6

[Article: "1980 Investments in UAE Total 30 Billion; Investment Volume Constitutes 27 Percent of National Product"]

[Text] During 1980 the UAE experienced extensive activity through projects covering all economic and social areas.

Official figures from the Ministry of Planning showed that fixed investment in 1980 totaled about 30 billion dirhams, which is 26.7 percent of the gross national product.

During this period, investment involved all commodity and service sectors alike. Total investments in 1980 were as follows: the agricultural and animal resources sector, 560 million dirhams; the extractive industries, 5.5 billion dirhams; conversion industries, 10 billion dirhams; power and water, 2.6 billion dirhams; construction, 597 million dirhams; wholesale trade and hotels, 650 million dirhams; transportation, communications and storage, 4 billion dirhams; financing, real estate and insurance, 2.3 billion dirhams; and governmental services, 3.4 billion dirhams.

It should be noted that the investments thereby involved all commodity and service sectors. UAE investments focused in the beginning on infrastructure projects because of the country's shortcomings in this area.

One of the most important indicators of economic development was the continued improvement in 1980 of local UAE products.

The official statistics indicate that contributions in 1980 to the gross national product were as follows: animal and fish resources and agriculture, 683 million dirhams; extraction industries, including crude oil, 68.3 billion dirhams; conversion industries, 3.7 billion dirhams; power and water, 1.27 billion dirhams; construction sector, 10.4 billion dirhams; wholesale and retail trade, restaurants and hotels, 6.7 billion dirhams; transportation, communications and storage, 3.7 billion dirhams; financing, insurance and real estate, 4.9 billion dirhams; and governmental services, 5.4 billion dirhams.

GREATER EXPLOITATION OF FISH RESOURCES URGED BY FAO OFFICIAL

Abu Dhabi AL-WAHDAH in Arabic 25 Feb 81 p 2

[Article: "Fish Resources in Arab Gulf Await Introduction of Modern Fishing Techniques"]

[Text] Salah Jum'ah, assistant director general of the FAO, has asserted that the potential catch of deep-water fish of economic value in the Arab Gulf and the Gulf of Oman could reach 180,000 tons a year, of which about 50,000 tons are currently being caught, while the potential for the area between Ra's al-Hadd and Bab al-Mandab is estimated at about 70,000 tons, of which about 12,000 tons a year are being caught.

In a statement to the UAE news agency, he said that there could be an estimated production of 400,000 tons a year of small surface fish in the Gulf and the Gulf of Oman, 250,000 tons of this being in the southeastern part of the Gulf, while the current catch is estimated to be 10,000 tons. Production projections for the area between Ra's al-Hadd and Bab al-Mandab vary according to the season but 400,000 tons would be considered a minimum, with the current catch running at 130,000 tons a year.

The assistant director general of the FAO added that the organization's studies and research have established that there are large quantities of fish off the eastern coast of the Arabian Peninsula with a projected production of a few million tons.

He stated that fishing in the Gulf and Arabian Peninsula area currently relies on traditional fishermen for shrimp and other fish sought for human consumption with the factory. Shrimp fishing vessels accounting for only a small part, particularly after the drop in the quantities of fish. Deep-water fish are exploited by foreign fishing vessels in joint projects.

He also stated that development of fish resources in the Gulf and along the coast of the Saudi Peninsula must be done by gradually introducing modern technology, by enabling the local fishermen to improve their vessels and by starting to introduce commercial fishing methods gradually, particularly with regard to fishing methods, coastal installations and the necessary markets.

In his statement to the UAE news agency, Salah Jum'ah stressed that the area of the Gulf and the Arabian Peninsula was fertile ground for exploiting and marketing fish through joint projects among the countries of the area.

He said that this would require improved methods of using fish, so that it would be necessary to work on establishing machinery for exchanging information and expertise on preserving and processing fish and using types not previously used. He said that it would be possible to benefit from Asian and Latin American knowhow in this regard for regional cooperation in research programs in processing fish.

He added that studies are now underway on setting up a huge project in which the UN program would help in research on shrimp and running the fisheries. The FAO has prepared two plans in this regard which are currently under discussion.

It should be noted that the assistant director of the FAO took part in the meetings of the sixth conference of agricultural ministers of the countries of the Gulf and the Arabian Peninsula which ended its business the day before yesterday in Abu Dhabi.

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NEW CLINIC OPENED IN ABU DHABI

Abu Dhabi AL-ITTIHAD in Arabic 19 Jan 81 p 2

[Article: "The Minister of Health Opens the al-Manhal Clinic and Announces That There Will Be a Doctor for Every 300 Citizens in the Year 2000"]

[Text] Yesterday morning His Excellency Hamad 'Abd al-Rahman al-Madfa', minister of health, inaugurated the al-Manhal Clinic in Zaid in Abu Dhabi. This was done as part of a medical plan to bring clinics to all parts of the country. He was quoted by the UAE News Agency as saying that, in instructions from his highness the head of state, his ministry would continue to implement the ambitious medical plan which has two objectives--to provide basic health care and to make medical treatment available everywhere. This will be done by providing a doctor for every 300 citizens by the year 2000.

He said that the ministry so far has provided a doctor for every 800 citizens, and that this is a high ratio when compared with worldwide statistics in this regard. He added that the ministry will continue to set up medical clinics which will provide medical treatment, preventive medical care, child care, maternity care, vaccinations, health education, X-ray facilities, and laboratories for all areas of the country.

After the inauguration the minister of health made an inspection tour inside the different divisions of the clinic in order to familiarize himself with the extent of the clinic's potential and capabilities. The al-Manhal Clinic serves 10,000 of Zaid's inhabitants. Moreover, next Saturday the minister of health is going to inaugurate the al-Mashraf Clinic in Abu Dhabi.

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